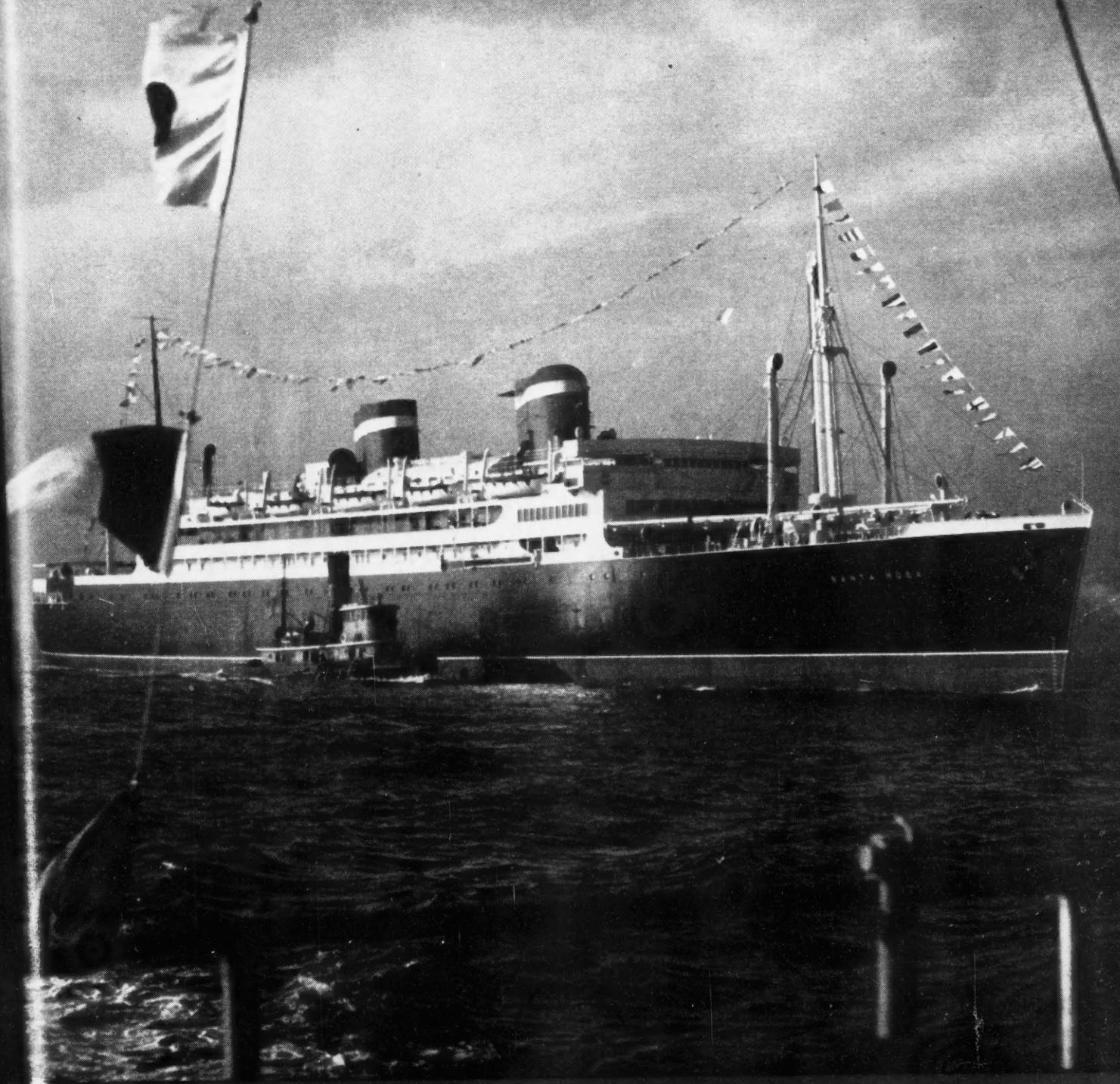


# Saturday Night

Canada's Magazine of Business and Contemporary Affairs

NOVEMBER 26TH 1960 20 CENTS



Canadians Take to Winter Cruising



A GENERAL MOTORS VALUE

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## Good taste is styling whose time has arrived

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**'61 BUICK** 

# Saturday Night

VOL. 75 NO. 24

ESTABLISHED 1887

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## INSIDE STORY

**THE COVER:** Caribbean cruise ship. The graceful *Santa Rosa* of the Grace Line.

Will you be one of the 6,300 Canadians who — between now and Easter — will go aboard ship for a cruise to sparkling seas and tropical sunshine? For those who want to know the ropes before they embark, **Marcus Van Steen**, frequent contributor to SN, provides some valuable and practical facts. He investigates voyages of all types, tells about health regulations, passport and customs regulations, cash facilities, shipboard customs — everything you need to know, in fact, — before you see your travel agent.

If Canada has anything to contribute to the question of colonialism, says **Peter Stursberg** of the Parliamentary Press Gallery, it is because this country has no colonies, has never had any colonies and has no desire to have any colonies. It is not, with due respect to the deep thinkers of the East Block, because we were once a colony. In a fresh approach to one of today's most pressing problems he says, flatly, that colonialism is a color issue.

Canadian investment houses are losing profit and goodwill by default because they ignore the financing needs of small, publicly-owned manufacturing companies. **J. H. Kent Lyons**, president of Cerametal Industries Ltd., Streetsville, Ont., tells how his company was forced to go to New York for financing and shows how the lack of financing facilities promotes the swing to U.S. control.

Imports flowing through Canada's leaky tariff walls drowned out the Valleyfield, Que. operation of Merck & Co. Ltd. **A. C. McKim**, who resigned last March as president of Merck after nine years in office, says Canadians should realize that our tariffs do not do the job they are supposed to do.

In contrast with the much-ballyhooed arrival of private television in Canada, a real revolution in the medium is taking place in the Toronto suburb of Etobicoke. There a system of Pay-TV has been introduced and the eyes of investors, entertainers and show-business entrepreneurs are avidly focussed on the experiment. **Dean Walker**, a specialist in the field, tells how success could profoundly affect existing systems and possibly lead to a new million-dollar industry.

**President and Publisher**, Jack Kent Cooke; Vice-Presidents, Hal E. Cooke, Neil M. Watt, E. R. Milling; Circulation Manager, Arthur Phillips. **Director of Advertising**: Donald R. Shepherd. Branch Office, Suite 707, Drummond Building, 1117 St. Catherine St. West, Montreal. Representatives: New York, Donald Cooke, Inc., 666 Fifth Avenue; Chicago, Adrian Boylston, 520 South Prospect, Park Ridge, Ill.; Los Angeles, Lee F. O'Connell Co., 111 North La Cienaga Blvd., Beverly Hills, Cal.; San Francisco, Theodore B. Hall, Lee F. O'Connell Co., 681 Market St.; London, Eng., Dennis W. Mayes Ltd., 69 Fleet St., E. C. 4. **Subscription Prices**: Canada \$4.00 one year; \$6.00 two years; \$8.00 three years; \$10.00 four years. Commonwealth countries and U.S.A. \$5.00 per year; all others \$6.00. Newsstand and single issues 20c. Authorized as second class mail, Post Office Department, Ottawa. Published every second Saturday by Consolidated Press Division, 73 Richmond St. West, Toronto 1, Canada.

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## Eichmann and Law

There are times, no doubt, when the ordinary man, the man in the street, not trained professionally in legalities and without a vocabulary of legal jargon, welcomes the clarification of an issue with the points of law rendered down, but not dispensed with, to a point where the wood can be seen and also the trees — in their proper perspective.

I believe Dr. Rodgers has accomplished his difficult task in his explanation of the Eichmann affair [SN Oct. 7]. I will not attempt to repeat the points presented by Dr. Rodgers; they are there to read and re-read (perhaps to be kept on file) until their meaning, which I believe to be "that a breach of basic principle endangers the whole legal order", is clearly vindicated.

On the other hand Mr. Bloomfield's letter [SN Oct. 29] is a delightful example of sophism at its persistent best. It is this difference between the two that surely concerns the ordinary man. One, the straight line recognised and approved, simple and direct; the other, a quibble without a premise: one that would ease the mind of a distracted business man if applied to his problems.

Why does Mr. Bloomfield choose to ignore the fundamental? The absence of law hurts the weakest. Israel is but a small and new nation striving to establish herself in the comity of nations; surely her own interest suggests there should be an insistence upon legal integrity. If Eichmann be guilty of the charges against him his quick and physically painless extermination, although too kind a fate, is practically assured. It is doubtful if the people of any country would object.

Would it not have been better, then, to allow the country in which he was found to apprehend him, acting upon incontestable evidence of identity?

It would seem Israel missed an opportunity to invoke intervention of an international court of justice something, perhaps, the smaller nations should see more of. Surely this would have been better, and safer, than to demonstrate her power: I, for one, regret she acted as she did and hope not too much damage has been done.

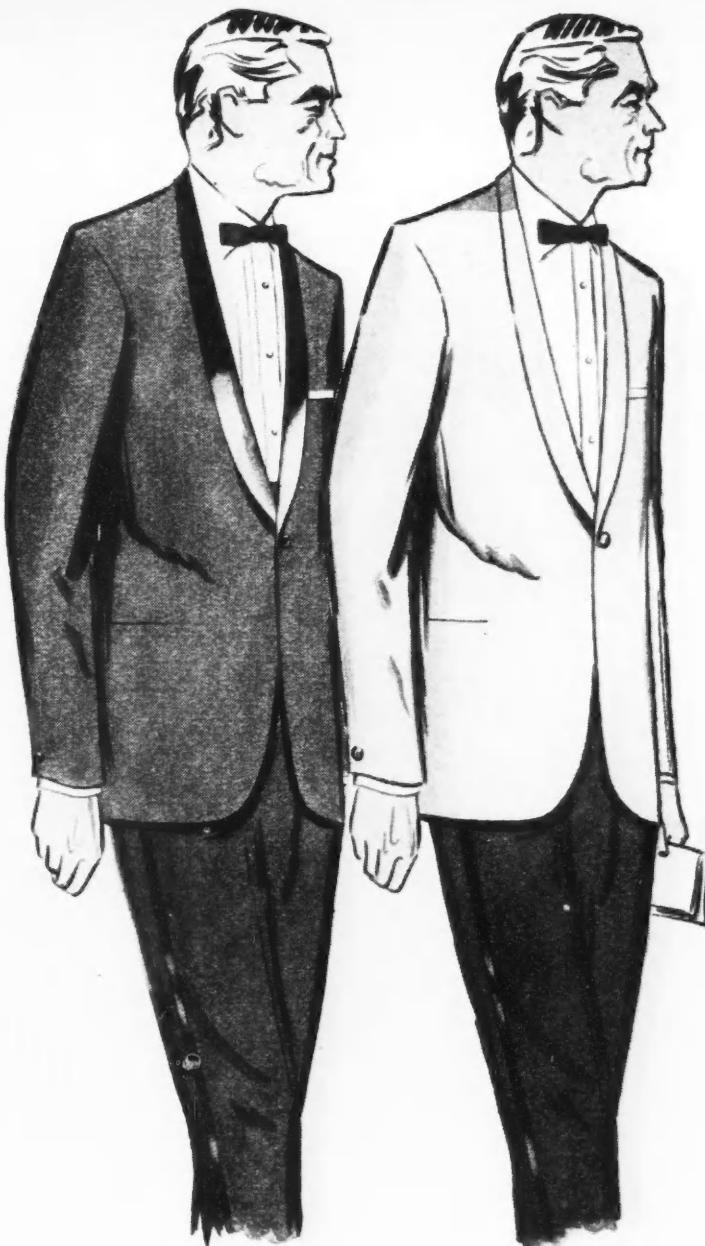
ST. LAMBERT, PQ

VICTOR BLEASDALE

## Competent Salesmen

The author of "Abolish Incompetent Insurance Salesmen", [Point of View SN Oct. 15] would have us believe, supposedly, that the mores of insurance salesmen leave much to be desired. Their ambitions are not commensurate with their abilities; they are a poorly regulated lot loose in the public market! From a dark cloud of conjecture he concludes that some even go about their business with fraudulent intent.

Serious as these charges are, Mr.



## GO SOUTH IN GOOD STYLE

Aboard ship, or ashore, dress correctly on all occasions with tuxedo of black or midnight blue and white dinner jacket.

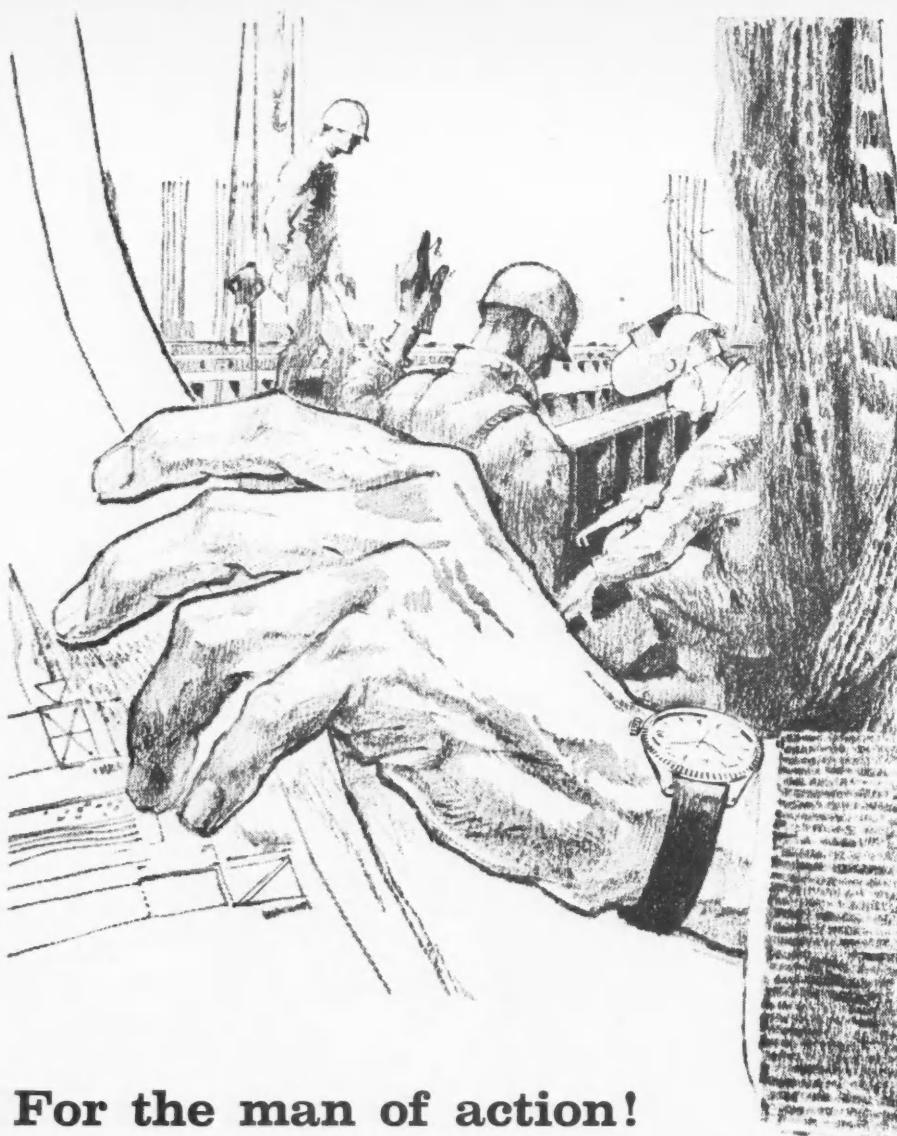
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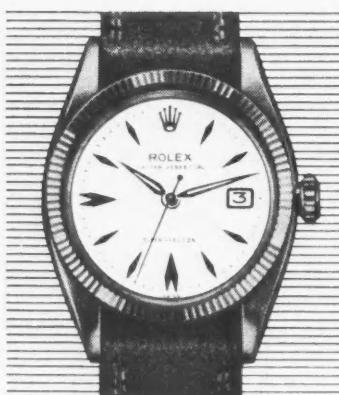
because it's waterproof... self-winding with its patented "rotor" mechanism... superbly accurate, day in, day out. In a Rolex wrist-watch you have the assurance of all the major developments in 20th Century watchmaking, for Rolex invented them!

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Matlow is clearly out of perspective, of course.

It is mandatory that life insurance companies screen prospective candidates before issuing any agent's contract, in order to comply with provincial regulations. Educational requirements are usually grade XII or its equivalent. Among field personnel can be found several with university (mainly commerce) degrees. Companies have classroom-field-training programs varying from three months to three years. There are many life insurance salesmen who could readily acquit themselves most satisfactorily in other phases of business.

One area completely ignored in the article is the function of the Life Underwriters' Association of Canada. Its 10,000 members, comprising 70 per cent of licensed agents, all subscribe to a code of ethics. The Association has effective machinery for dealing with any unethical conduct or malpractice. Its investigations are regularly reported to the company head office of any of its offending agents. In cases involving a breach of Provincial regulations, where satisfactory action is not taken at the company level, the matter can be presented to the Superintendent of Insurance.

This "complaint" machinery is neither flaccid nor prosaic; on the contrary, it moves the company to corrective action and assists the legislative bodies in enforcement of its regulations. This philosophy is consistent with that of other professional groups—to police and discipline members within a free society.

The LUAC is also responsible for administering a five-year life insurance course (part of which is directed by the University of Toronto) that leads to the designation CLU. This course not only entails passing examination but also maintaining a good quality of underwriting standards. It is now only a matter of time before the majority of life underwriters will become CLU's (Do not be too hasty, though, in drawing conclusions from the lack of a CLU designation—as does Mr. Matlow; plenty of top-flight agents learned their stuff the hard way and have neither the time or need for formal schooling, although many of these take time off for "refresher" courses).

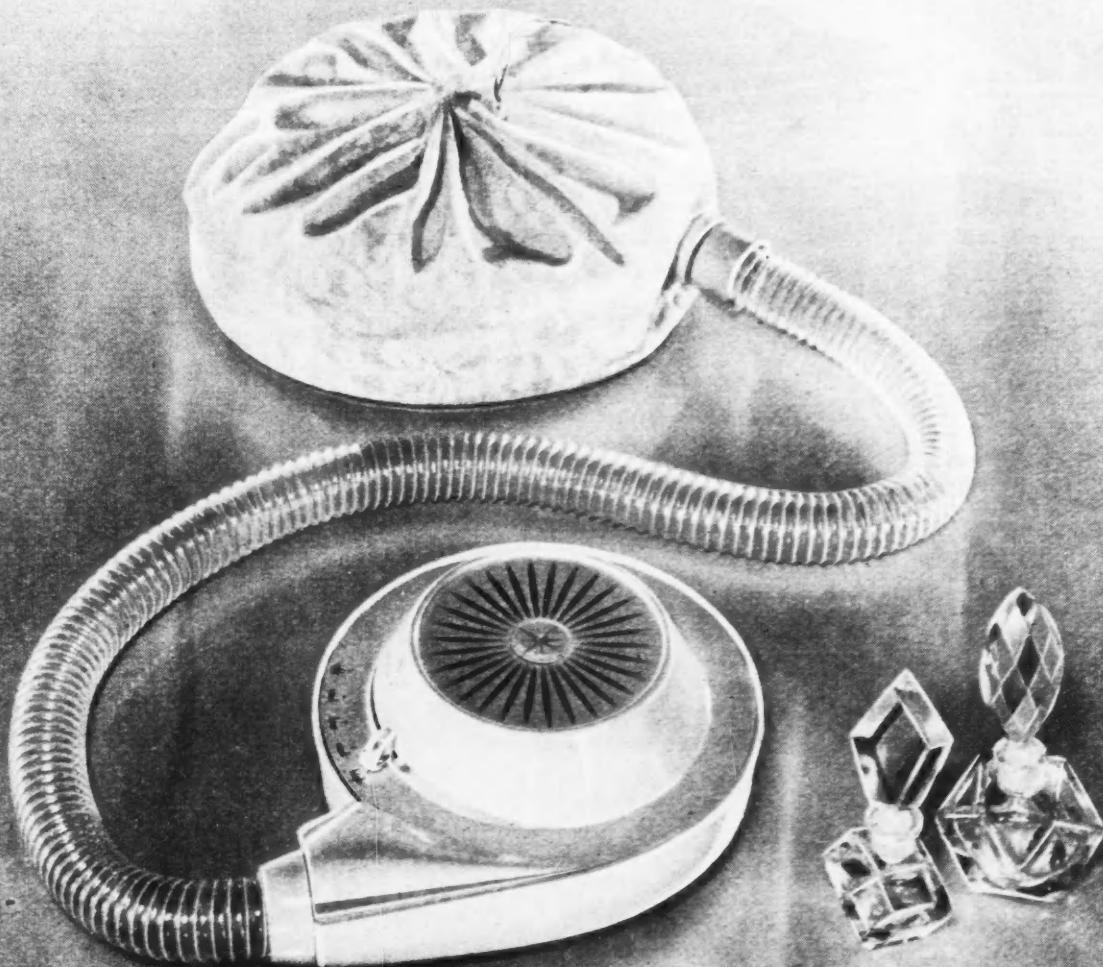
Whilst selling methods are based on offering insurance to fill an obvious need in a straightforward manner, the article does not appear to concede that the insurance salesman has to be an imaginative creature, or that his vehicle—life insurance—is a living organism in our society, subject to several interpretations within varying conditions.

To impose those bureaucratic conditions advocated by Mr. Matlow would further stifle the free economy system at a time when Canada needs salesmen greater than at any time in her history.

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SATURDAY NIGHT

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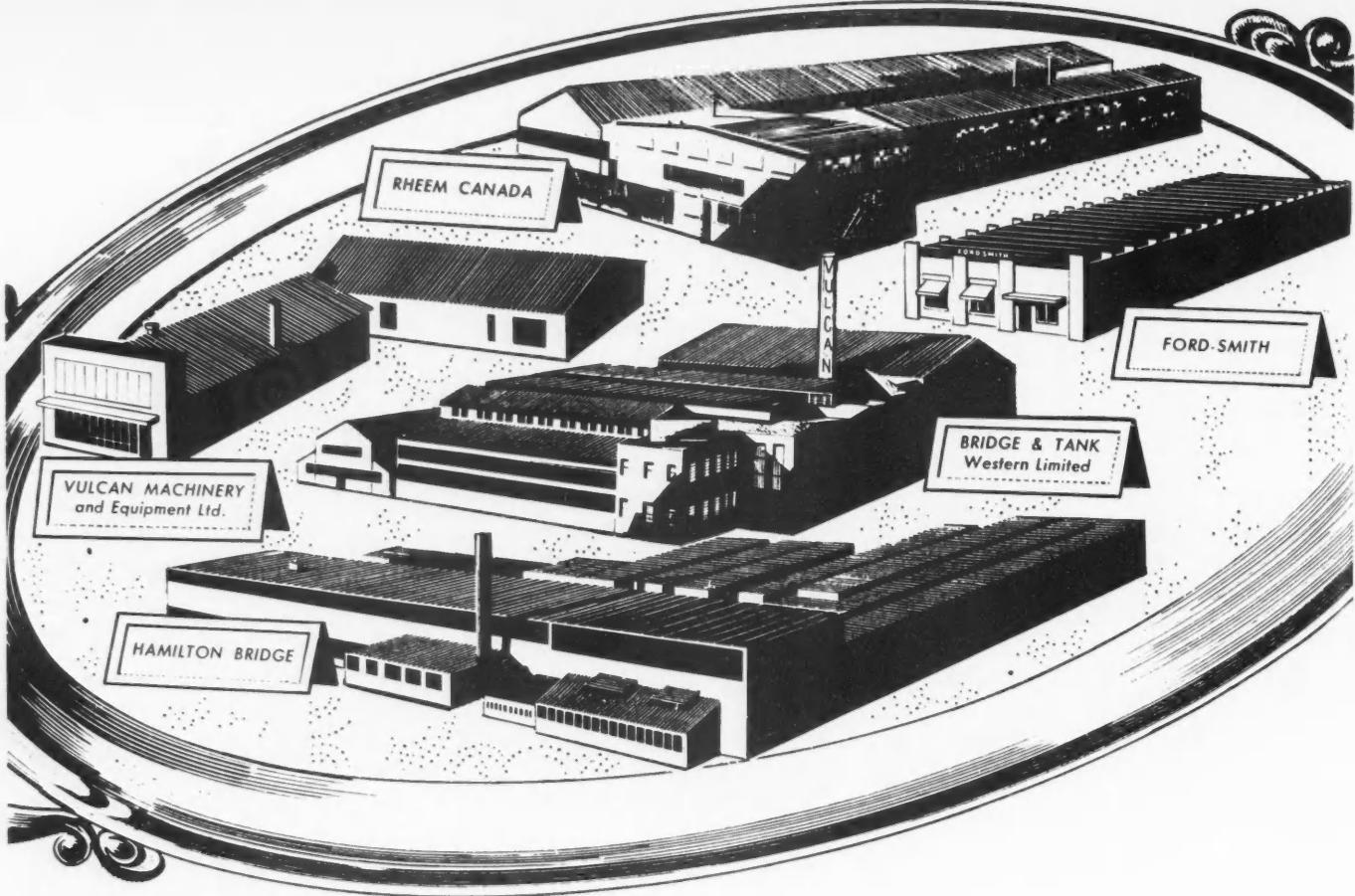
Such a good idea. You get professional results in no time, right in your own home without losing a moment from telephone, TV or (excuse it) housework. Wear it as a shoulder bag, or as a waist "corsage." So quiet you can hardly hear it. So gentle you never feel it—exclusive G-E Zone Control has four separate comfort settings for hair drying. Attractive modern design looks well on any dressing table. See it, try it, and you'll be glad when you buy it.

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## Comment of the Day

### He Made It

SO SENATOR KENNEDY made it, despite the religious issue.

What does this mean for Canada? Well, the very least we can expect is a change in the attitude of the State Department. We can hope that there will be a little more flexibility towards Castro and the Cuban problem and that we shan't have the pressure against Canadian businesses still operating in Cuba which Nixon might have brought to bear. Similarly, though we don't believe Kennedy will take any strong action in his own country to recognize Red China, he may make it clear to Canadian diplomats that we could lead the way on this particular issue, and he would gingerly follow.

The election campaign didn't, of course, give us much to hope for on either of these two matters, but what things are said in an election and what happens afterwards don't always jibe, as Canadians in 1960 are very well aware. The fact is that Republicans are by nature isolationist and Democrats, especially since Franklin D. Roosevelt, are more conscious of the rest of the world.

Again, in trade, Canada can hope for a little more liberalism. The present Republican administration has shown bad faith in its dealings with Ottawa on trade matters as the article on Page 22 shows. Furthermore, the Democrats are not so tied to big business as the Republicans are and Kennedy himself has emphasized this by almost disowning his father in the past nine months.

It is also clear from the TV programs we have seen in Canada that Kennedy is a missionary. He talks with obvious sincerity about the heavy tasks before his country and the necessity to put principle before expediency. This sense of missionary fervor will surely find sympathetic echoes from Diefenbaker and perhaps we shall see more *rapport* between Kennedy and Diefenbaker than there ever was between Diefenbaker and Eisenhower.

The indications are that Kennedy, though, faces a tough domestic battle before he can do much about mending his external fences. Even on the face of things there is a rough recession ahead and politically, of course, it will do no harm to the Republicans if a Democratic victory can be made synonymous with depression.

Whatever the future, Kennedy is not a

man to be envied. He is a man to be admired for his campaign and to be encouraged in his resolve. His is the most difficult task of any man in the whole free world. Canadians will fervently wish him well in the demanding times ahead.

### There'll Always Be A Russia

*(The day is not far distant when Russia will turn to the West for help against the Chinese.)—Forecast by Sir Neil Ritchie, retired Army General.)*

THERE'LL ALWAYS be a Russia:  
Her praises will be sung  
While we assist the Soviet  
To punish Mao Tse-tung:  
There'll always be a Russia  
While we have breath to sing  
Along the road to victory  
From Moscow to Peking.  
We'll march along,  
Confident, right and strong:  
Canada, rise!  
Rationalize!  
Help your allies!  
Red, white and blue—  
What does it mean to you?  
Put it to bed:  
Better instead  
Change it to red!  
There'll always be a Russia,  
And Russia shall be free  
If Russia means as much to you  
As Russia means to me.

VIC.

### Atomic Toss-Up

THE PACIFICISTS, of whom there seem to be an increasing number in Canada as well as in Great Britain and other Western nations, have long shuddered at the dangers of nuclear bombs being constantly on airborne alert with the Strategic Air Command. Despite the precautions taken to see that no one makes a false sortie, there is always the slight possibility that a bad radio connection or a moment of foolhardy aberration on the part of the pilot will plunge the world into atomic war.

One answer to these people is, of course, that in order to avoid risks we have to take risks. But a story which originally appeared in *The New York Times* last August still haunts us.

On the morning of the second A-bomb attack on Japan in 1945, the airplane carrying the bomb had been dispatched on a mission against Kokura not Nagasaki. But when the airplane got over Kokura it was obscured by heavy clouds and though the aircraft circled the city for nearly 50 minutes the crew was not able to make a visual approach.

Let one of the members of the crew tell the story from that point on: "The flight engineer then came up with the bad news that he could not transfer 600 gallons of gasoline from the rear bomb bay because of a booster pump malfunction. We were faced with the problem of deciding what to do next.

"An urgent conference between Lieutenant-Commander Ashworth and the pilot, Major Charles Sweeney, resulted in a fateful decision. We would go on to Nagasaki and make the bomb-drop by radar if necessary. The second alternate target was Nijgata and it was too far away to attempt a raid there with the gas we had left. We headed for Nagasaki. That seaport was having the same kind of weather. It was nearly nine-tenths obscured by clouds. We went in for the bombing by radar, disregarding what had been 'must' orders to bomb visually.

"Suddenly I heard Capt. Kermit K. Beahan, our bombardier, yell, 'I can see it. I can see the target.' Apparently he had spotted an opening in the clouds about forty-five seconds before he was scheduled to release the bomb."

Through the malfunction of a piece of auxiliary equipment, and because of an *ad hoc* conference of the people on the spot, 100,000 people in a different city from the original target were killed. Can there ever be insurance against this kind of happening? And is this not urgent reason (among hundreds of others) for atomic disarmament to be considered by the great powers as urgently as possible?

### New Look In Peterborough

THE ELECTION of a New Party member in Peterborough this past month has given the professional politicos something to think about.

On the one side there was a young Tory candidate, backed by the Government and supported by an organisation left in good shape by the member whose death had caused the by-election.

On the other side was a Liberal whose



## British Canada's First Unofficial Coin ...



After Canada was ceded to Great Britain in 1763, little effort

was made to supply North American currency. In 1815, Sir Isaac Coffin, holder from Great Britain of the freehold of the Magdalen Islands, issued his own copper pennies—the first unofficial coins circulated in British Canada.

### Canada's First Real Money

Canada's first real money, in the form of bank notes, was issued by the Bank of Montreal—Canada's first bank—when it opened its doors for business on November 3, 1817. Later, the bank provided copper coinage. With the passing of the Currency Act in 1841, B of M coins became recognized legal tender of Canada.



**BANK OF MONTREAL**  
Canada's First Bank

SD274

cause had been helped greatly by a charge that his advertisement had been refused on the local TV station while a similar one for the Conservatives had been expressly allowed by the BBG.

Both of these men represented parties of experience, both could claim that they would have direct influence on affairs in Ottawa.

The New Party man was a bright, persuasive school teacher who hammered away at the total lack of indication that either of the old parties had any idea what to do about unemployment and also denied that either was concerned about the new image of Canada abroad, both from an economic and political point of view.

Pitman obviously could not promise a new Post Office — his party is not in power. He could not promise that his party would return to power at the next general election — his party has never even contested a general election—indeed, has never had a seat in Parliament before.

What Pitman promised was first, a new look at the problems of the working man and of Canadians generally, untied by any old prejudices or dogmas and, second, a new energy which could make him, while independent, the sort of needle who could stir up a bigger fuss about the things Peterborough wants aired in Ottawa than any docile backbencher of either party could.

We should all take note of the return of such a man to Ottawa. It shows that hardening of the political arteries is not going to be tolerated by the electorate. And it should give both Liberal and Conservative strategists some sober second thoughts about the kind of general election we are going to face within the next two years.

### Russian Aid to India

JUST HOW FOOLISH is the North American view about Red China and its relationship with Russia is shown by a recent dispatch from Taya Zinkin, the correspondent in New Delhi of the Manchester *Guardian*.

Miss Zinkin reports that the Government of India is now negotiating in Moscow for \$30 million worth of equipment with which to construct defences on the India-China border. This, consisting of large transport aircraft and helicopters, plus heavy earth-moving equipment capable of being used at high altitudes, was tendered for by both Russia and the United States. But the Russian price was almost fifteen per cent less than the American one.

So while India imports machines for strategic use against Red China neither Ottawa nor Washington will budge from the view that Russia and China are virtually the same country. Maybe this makes sense to them; it doesn't to us.

**“Don’t you  
dare  
tell my  
husband . . .”**

There were repercussions when a certain lady said those words to Monsieur Courtot. She had been allowed up to \$1,000 for a fur coat but had spent \$1,200, intending to make up the difference herself.

A few days later her husband phoned Monsieur Courtot. “Didn’t my wife tell you she could spend only one thousand?”

“Yes, sir, she did,” replied Monsieur Courtot, preparing to tell a white lie for her. “How much did she tell you she paid for it?”

The husband was unable to contain a mild chuckle. “She started at \$1,000 and went up to \$1,200! But I know perfectly well it must have cost more than that. That’s why I’m phoning.”

Monsieur Courtot sighed with relief and satisfaction. “Mr. . . ., I assure you that your wife paid not one penny more than \$1,200.”

There was a moment’s silence at the other end.

“Honestly?”

“Honestly.”

“Then I am very pleased,” said her husband.

“And I,” said Monsieur Courtot, “am delighted you think so highly of my furs.”

Once again a little incident drawn from life shows that the best things are not always as expensive as they look. Only the very finest furs, exquisitely designed, are available from Jean Courtot — often at surprisingly low prices for such quality

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Those who have tasted this superb whisky are enthusiastic about it. Ten quiet years of ageing in wood have given Wiser's DeLuxe a *natural* smoothness and lightness of flavour that are *noticeably* different. Even those who are not particularly conscious of taste differences in whisky can detect it.

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We politely urge you to buy just one bottle. Try it with water, soda or on-the-rocks, any way you prefer. Only then will you fully appreciate the *deluxe* quality of this 10-year old whisky.

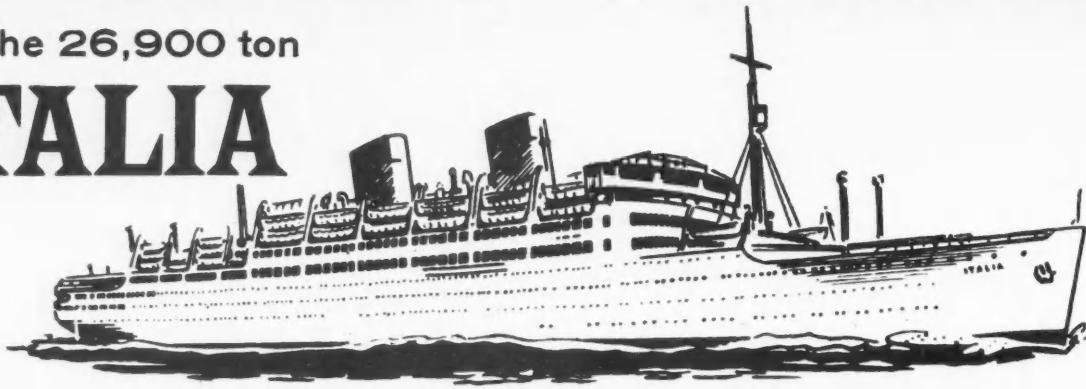


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## Canadians Take to Winter Cruising

by Marcus Van Steen

BETWEEN NOW AND EASTER, about 126,000 people will leave North American ports on board 89 vessels making 345 cruises into warmer and more exotic waters. This is not a remarkable figure for the United States, where winter cruising has been growing steadily in favor ever since the first Great War. What is remarkable is that of this season's winter cruise passengers, approximately 6,300 are Canadians.

Before the second World War the number of Canadians who took winter cruises barely exceeded 100. Today, according to all travel agents, the number of Canadians on the cruise ships could be increased three or four times if the accommodation were available.

"Canadians just can't seem to make up their minds early enough," says Alfred Cody of Cook's Toronto office. "They come in around October or November to book passage on a cruise that's leaving in January. As they gain more experience in this sort of thing they will learn to book six months in advance—or preferably to get the best selection, a year in advance."

Winter cruising is becoming a major form of Canadian tourist activity not so much because of the number of people involved, but because of the amount of money they spend. It is difficult to arrive at any exact figure, but travel companies estimate that Canada's sixty-three

hundred winter cruise tourists this season will spend between 18 and 20 million dollars.

There are four main reasons why winter cruising is gaining in importance as a holiday activity. One is the growing tendency of people to take holidays at

any time of the year and not just in the summer time. Second is the fact that more and more people are getting two or three weeks annual vacation with pay. This means that all winter vacation spots are becoming crowded, forcing those who can afford it to look further afield.

The third reason is that the shipping companies are making cruise offers increasingly tempting. And finally, more people are building up substantial pensions and annuities which make it possible for them during their retirement years to escape at least part of our rugged Canadian winter.

The basic reason for winter cruises, of course, is that the shipping companies have to find some way of keeping vessels busy during the winter months when the demand for normal travel declines. The cruise ships are not special ships but are some of the newest and fastest ocean liners, diverted temporarily from passenger service into becoming leisurely floating hotels.

Thus, this winter the Cunard company is sending its fine new *Caronia* on a world cruise and the sleek *Mauretania* on five cruises to the West Indies and Latin America. The Norwegian American line is using its yacht-like *Oslofjord* on four Caribbean and Mediterranean cruises. And the Holland America line is using its big new *Rotterdam* on four special cruises, including a round-the-world cruise.

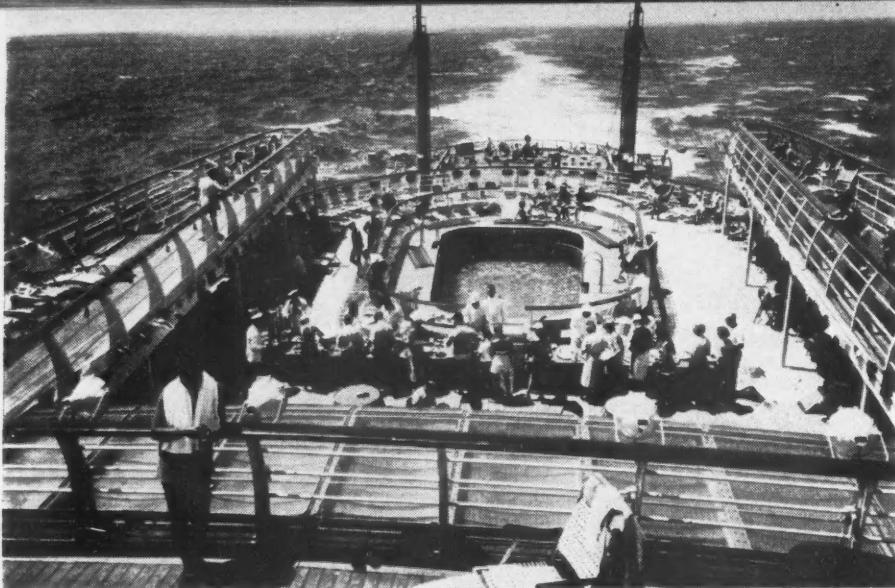
### Health Requirements

**For all cruises, each passenger must have a certificate of smallpox vaccination not more than three years old.**

**For cruises to African ports, he is required to have yellow fever inoculation, for which a special application has to be made to the Department of Immigration.**

**For cruises that include Mediterranean and Asian ports, typhoid, paratyphoid and cholera inoculations are required.**

**As cruises are sometimes taken by convalescents, the ship's doctor is prepared to continue any special treatment that may be required, within reason. It is advisable to discuss this matter before booking passage. Special diets can always be provided, if the company is given at least two weeks' notice before sailing.**



*Cruising is luxury living at the best possible price for this way of life.*

The *Rotterdam*, at more than 38,000 tons, is the fifth largest passenger liner in the North Atlantic service, and is the largest vessel being used, apparently economically, as a cruise ship.

A cruise ship ideally should be small enough to be able to call at out-of-the-way ports, and it should not have to depend on too big a passenger list to make its trip pay. Of course, on a cruise the ship does not pack in half as many people as it does on a five or six day passenger run. The *Rotterdam*, for example, which carries 1400 passengers across the Atlantic, will take no more than 650 people on a cruise voyage.

Its crew of approximately 700 is maintained at strength, and about 15 additional cruise personnel are employed. These include the guides for shore excursions, people to arrange and lead in sports events and entertainment, people to book shore excursions, change money, and to show films and give lectures on the various ports of call.

The shipping companies arrange as great a variety of winter cruises as they can think of, and as every one is different in some way from the others, each one attracts its own particular clientele. More than two-thirds of all cruise sailings are comparatively brief cruises to the Caribbean, sometimes including Latin American ports. These are within the reach of anyone who has from 10 to 20 free days and is willing to spend from \$750 up for a holiday.

This makes a cruise available for a great many people, but those who are attracted to this sort of a holiday are those who feel at home in luxurious surroundings, who enjoy ocean travel for its own sake, and who like meeting people. Many of the cruise passengers are young women and men deliberately out to meet new people. Equally anxious for new friends are the lonely old passengers.

One thing common to all cruises is that they are not family-type holidays. The shipping companies all discourage

children under 12, and a few of them actually refuse to book passage for children under 6.

Special cruises year by year seem to attract the same type of passengers. Christmas cruises are booked by Jewish people to whom the festival has no particular significance, and by young people far from family environment. The long cruises that start in January always have some older couples who have completed their Christmas duties to their grandchildren and are now seeking rest and relaxation.

## Special Services

**Every cruise ship may be regarded as a floating town, with all the services that may be found in the best of towns.**

There is a barber shop, a hair-dressing salon, a beauty parlor, a shoe-repairer, and shops in which everything may be bought from a roll of film to a formal evening gown.

There is a newspaper, a library, an ice-cream parlor, a motion picture theatre, and a Roman Catholic and a Protestant church.

There are laundry and pressing services, but few ships have a dry-cleaning establishment.

There is a doctor and a nurse on board, but not a dentist and passengers are advised to have dental treatment before they embark.

There is a post office, and most ships can arrange for ship-to-shore telephone connections.

Every ship has a photographer, prepared to give you a photographic record of your cruise. If you take your own pictures, he can arrange to process them in his dark room.

No pets of any kind are allowed on board any ship.

Easter cruises are heavily booked by school and university teachers. Every cruise has its quota of honey-mooning couples, people recovering from an illness and seeking rest and relaxation, business men whose wives have been able to persuade them to take a rest from the work they did to earn the money for the cruise, and people who just couldn't think of anything else to do.

And there are always a handful of special cases. Harold Nicolson went on a world cruise in order to write a book and *Journey to Java* is one of the best accounts of such a cruise one could wish to read.

Cook's Toronto office says it regularly books an elderly couple on a long winter cruise every year because they find it cheaper to take such a cruise than to maintain a winter home in the city. They remain in their summer home until approximately the end of October, then book a cruise which will fill up most of the time until they can return to their summer home some time in May.

Cruising is luxury living at the best possible price for this way of life. What it costs is only roughly indicated by the fare quoted by the travel agent or the shipping company. For example, take the world cruise offered by the Cunard Company on the liner *Caronia*, starting from New York on January 28. The fares quoted for this cruise range from \$2,875 per person up to \$5,600. This provides accommodation, meals while on board ship, and a whole host of services for the 95 days of the cruise.

But it does not include many things which should be added to this fare price. Tipping, or gratuities, is a major item. The room steward, dining room steward, bath steward and deck steward all expect to be tipped. These total up to a minimum of \$20 per week, and in a voyage of 95 days no doubt various occasions have demanded extra services which are bound to make a person feel more generous, so let us add \$250 to the price.

A big item is the cost of various shore excursions. On a short voyage one may ignore most of the arranged shore excursions, but when one is taking a world cruise it would seem a shame to miss the opportunity of seeing the Taj Mahal, the wild game in Africa, Mount Fujiyama, or the ancient temples of Siem Reap.

There are 95 shore excursions offered to the passengers on the *Caronia* world cruise, ranging from a \$3 motor trip up Table Mountain in Cape Town to a 17-day safari from Cape Town to Mombasa, costing \$1,285. Even if one ignores these more expensive trips, it would be possible, even desirable, to take several of the other more limited shore excursions which would add about \$3,000 to the cost of the cruise.

Other cost items which have to be calculated in advance are the fare to and from New York, the insurance for the baggage and the deck chairs for the voyage. On some cruises the deck chairs are included, on others they cost about \$3 a week each. This means that even by taking the minimum accommodation on the *Caronia*, a passenger has already spent more than \$6,300, and he has not yet allowed for what he might spend at the bar or for a number of incidental expenses.

For example, the services of the ship's doctor are free, but if he writes a prescription the medicine must be paid for. Also each ship provides a laundry and ironing room, but if a passenger asks for the services of a laundress that, naturally, is extra. Also many ports levy a landing tax of from \$2 to \$5.

A big item is clothing. On all cruises casual attire is just the thing for deck wear or for games, but ladies are expected to wear dresses and men ties and jackets for luncheon, and formal wear for dinner, except when the ship is in port and the passengers have returned from a shore trip too late to change. It is optional whether the ladies wear long or short evening gowns, but on every cruise there are at least a few occasions when the long formal gown is preferable.

In the tropics men wear white dinner jackets. Shorts are usual on deck, but never in the dining salon. On a long round-the-world cruise, the wardrobe that must be carried is a big one. In other words, one shouldn't even consider next January's *Caronia* world cruise unless he can readily lay his hands on ten thousand dollars for one person.

At the other end of the spectrum, there is the cruise offered on board the *Mauretania* leaving New York next April 4 for 12 days in the Caribbean. The minimum price quoted is \$300 but to this one must add the return fare to New York, \$40 for tips, and \$6 for a deck chair. This brings the minimum to \$470 for a person living in Toronto or Montreal, and considerably more for those living further away from New York.

This cruise touches at the Virgin Islands, Barbados, Haiti, Martinique, Grenada, Jamaica and the Dutch West Indies. A traveller may bring back \$300 worth of merchandise, and he will certainly spend at the bar, on shore excursions, for laundry and so on. This means that even for a short, inexpensive West Indies cruise a person should have at least \$800 convenient for spending. Or let us say \$1500 for a couple.

Between this less expensive cruise and the \$10,000 world cruise there are literally hundreds of choices, and almost every shipping company in the world offers several. On the Atlantic seaboard most of the winter cruises start at New York and

## Cash Facilities

**The advice from everyone is to carry travellers' cheques, plus some U.S. dollars for spending on board ship.**

**U.S. dollars are acceptable in most West Indian ports, but elsewhere the proper local exchange is needed.**

**The ship's purser will advise what exchange is needed, and is prepared to cash your travellers' cheques for your shore expenditures. On most long cruises, this role is taken either by an agent of Thomas Cook and Son or the American Express, who work in close cooperation with the shipping companies.**

**Personal cheques are not accepted on board ship. You should get a supply of travellers' cheques that will see you through any emergency. They are always refundable if you are overstocked and still have some left on your return home.**

**An alternative is to carry a letter of credit from your bank manager.**

the biggest operators are Cunard, the Holland America line, the Norwegian America Line, the Swedish American line and the American Export line. There are also a number of cruises originating in Miami and New Orleans, most of them shorter and cheaper than the others.

On the Pacific coast, the cruises originate in Vancouver, Seattle, San Francisco and Los Angeles and the biggest operators are the Orient and Pacific Line, the American President Line, the Matson Navigation Company, the Nippon Yusen Kaisha line and the Nederland line.

These are all luxury services. For a more economical cruise, from the point of view not only of fare but also of wardrobe, a number of companies offer leisurely cruises on their freight carriers. Most of these have accommodation for about 12 to 16 passengers, not in luxury but in solid comfort. There is no fuss about dressing, no shore excursions, and the passengers have to be self-reliant enough to fend for themselves.

What is needed most of all is plenty of time, as freighters cannot keep to a strict schedule if cargoes are held up. Another consideration is that freighters seldom carry doctors on board, so passengers must be sure of their health before they embark. Another consideration is that one must book well in advance. Accommodation is limited, the demand is great, and a year ahead is not too much to make a reservation.

The majority of Canadians, when they think of a winter cruise, think of the Caribbean. The palm-fringed beaches of the tropical islands are familiar to us from our readings in history, from the

buccaneer stories of our boyhood days, from the sultry romances of the paper-backed novels and Hollywood. But even if we are not already aware of the islands, we soon learn of them when we start talking to the travel agents and find that they are within the reach of most of us, with regard to both time and money.

Most Caribbean cruises fall within a two-week limit, and average about \$850 per person. Between now and Easter, 150 West Indian cruises leave New York, with another half dozen or so originating in Boston, Philadelphia and Washington.

Typical of these cruises is the Canadian Pacific's *Empress of England* cruise which leaves New York on February 18 and touches at Martinique, Barbados, Grenada, Aruba in Venezuela, Jamaica, Haiti and back to New York — 14 days at a minimum of \$350, which means a total expenditure of about \$800 per person.

Many West Indian cruises now touch at South American ports, and several of the shipping companies, as they compete to add variety to their cruises, are making this a feature in their advertising. About two dozen sailings from New York in the next few months are called South American cruises, but they all include West Indian ports.

For example, the *Rotterdam*, leaving New York on December 9th, touches at the Virgin Islands on its way south to Rio de Janeiro, and then puts in at Curacao, Haiti and Nassau on its way back, giving a colorful 29-day cruise which will cost between \$1,200 and \$3,000 per person.

Another interesting variety available now includes African, South American



Casual attire is rule for deck-wear.

## Passport and Customs Requirements

Canadian citizens or British subjects do not require visas on a West Indies cruise, but they do have to carry a birth certificate or some other documentary proof of citizenship. This is required upon re-entry to the U.S. and is eliminated if sailing from Vancouver. Aliens have to carry visas if sailing from a U.S. port.

On longer cruises, touching at Latin American, European, African or Asian ports, a passport is required. Your travel agent has the necessary forms, and the shipping company holds your passport on board ship, presenting it when required. Once you have signed the application and had your picture taken, you may forget the whole thing.

Customs, however, is something you must tackle by yourself.

Canadian regulations allow you to bring back \$300 worth of merchandise in any one year. This applies to all goods bought abroad whether you are using them or wearing them or not. It also applies only to portable merchandise, and does not include furniture. Another exception is TV sets or parts thereof.

Also you may forget those liquor bargains you see abroad—you may bring home only one 40-ounce bottle. Cigarettes, cigars and tobacco are also severely limited.

For your customs declaration, retain your sales slips or receipts, and remember the customs inspector sometimes puts a higher valuation on the merchandise than what you paid, say, in Hong Kong.

minor inconvenience of extra handling of luggage.

These O. & P. trips are made approximately once every month. Other O. & P. cruises include Hong Kong and Japan. The American President line makes a specialty of cruises to Hawaii, Yokohama, Manila, Hong Kong and Kobe. Leaving San Francisco, this is a 42-day cruise with a minimum rate of \$1,147, which means it could be done for about \$2,000 per person.

A big attraction in Pacific cruising these days are the low merchandise prices in Hong Kong. An agent of one of the shipping companies says he has several prairie farm couples who make a cruise once every two or three years and pick up enough clothing in Hong Kong to provide their families with basic wardrobes until they make their next trip. It is possible to do this and keep within the \$300 customs limit.

Other Pacific itineraries include Panama, Indonesia, Cambodia and Singapore. The Matson Navigation Company runs regular schedules in its *Mariposa* and *Monterey* which include Pago Pago and Tahiti. These are 42-day cruises with a minimum of \$1,125, from San Francisco. Strangely enough, there are very few cruises along the Pacific coast of South America.

The most popular cruises now from Vancouver take in the Pacific coast ports of San Francisco and Los Angeles and also Acapulco in Mexico, then over to Honolulu for a few days and back again. On board the O. & P. liner *Oronsay* this is a 24-day luxury cruise with a minimum of \$440.

From North America a Mediterranean cruise is of necessity a fairly long one, and those scheduled for this season range from 23 days to 69 days, with minimum fares quoted at \$540 for the shortest to \$1,650 for the longest. There is no cruise

and West Indian ports in the cruise itinerary. One example of this is the *Gripsholm* cruise that leaves New York on January 25. Its first stop is at the Madeira islands, then on to Casablanca, southwards to the Canary islands, to Dakar and Conakry on the West African coast, across the South Atlantic to Rio de Janeiro, northwards to Bahia in Brazil, and then to Barbados and the Virgin Islands and back to New York. This is a 38-day cruise with the minimum fare quoted of \$1,125, which means a minimum cost of about \$2,000 per person.

During the next few months another 100 West Indian cruises leave Florida and Gulf ports. These are sometimes quite brief, taking in only one or two ports, ranging from 5 to ten days. Their most popular ports of call are Nassau and Port-au-Prince, and the minimum fare quoted is \$150.

There are also brief 6-day cruises from New York to Bermuda on board the *Ocean Monarch*. These are offered frequently, and cost a total of no more than \$200, plus whatever it costs you to reach New York.

A Pacific holiday to most North Americans means only one thing — Hawaii. However, a number of progressive shipping companies are managing to make us realize that such places as Fiji, New Zealand, Hong Kong and Japan are also within our reach.

Many so-called "cruises" in the Pacific area are actually regularly-scheduled passenger services, but they make satisfactory cruise voyages at the same time, taking in a number of different ports and including many famous tourist resorts. They are less expensive than planned cruise voyages, do not include shore excursions,

and leave out some of the extra cruise frills, but they do give the usual luxury service of a passenger liner. And, unlike most cruises, they do give the traveller wide scope to use his own initiative.

For example, take the Orient and Pacific liner *Oriana* which leaves Vancouver on February 3, 1961. It stops two days at San Francisco, two days in Los Angeles, one day in Honolulu, one day in Fiji, and reaches Wellington on February 22nd. It goes on to Sydney for two days, back to Auckland, and makes the same ports of call on the return trip to Vancouver, a total of 39 days for a minimum of \$604. Now if a passenger wanted more time in say, Fiji or New Zealand, he could book passage only to that port and pick up the ship on its way back. Of course this would mean the



Pacific itineraries include Panama, Indonesia, Cambodia and Singapore.

area in the world that packs so much variety into a cruise of this length, offering the passengers glimpses of Africa, the ancient civilizations of Italy and Greece, the millionaires' playground of the Riviera, romantic Spain, historic Gibraltar, the islands of the Mediterranean, and sometimes touching in at the sunny little Madeira islands for an added bonus.

Of the 25 Mediterranean cruises leaving New York within the next five months, there are not two exactly alike. There is so much to choose from in this ancient birthplace of civilization that it is possible to get dozens of combinations of ports of call, so it is up to the travellers to pick the cruise which offers them what they think they will appreciate most.

In order to get greater variety, the trend in this area too is to push further afield, and several of the longer cruises this season are not confining themselves to the Mediterranean but are penetrating the Dardanelles into the Black Sea and are offering several ports in Rumania, the Ukraine and the Crimea.

An example of this is the 52-day cruise of the Greek Line's *Olympia* which leaves New York on January 24, 1961. Its first port is Lisbon, then to Gibraltar, Sicily, Malta, Egypt, Lebanon, Israel, Cyprus, Rhodes, through the Dardanelles to Istanbul, then to the Black Sea ports of Constanta and Odessa, to the Russian resort town of Yalta, back to the Mediterranean and Athens, Naples, Cannes, Barcelona, Casablanca and touching at Madeira on the way home. The minimum price quoted for this cruise is \$995, but as may be imagined the program of shore visits is extensive.

Some of them would be a shame to miss. For example, the stop at Alexandria gives a chance to visit Gizeh and the Sphinx, the valley of the Kings and the Pyramids. The stop at Haifa, Israel, brings you within reach of Nazareth and the city of Jerusalem. At Constanta it is only a fairly short trip inland to reach Bucharest. From Piraeus, the port of Athens, the shore excursion covers a large part of southern Greece. In other words, it would be easy to spend an additional \$600 on shore excursions on this cruise, and allowing for the other expenses as outlined before, we may estimate the minimum cost of this particular voyage at \$2,300 per person.

At least four other Mediterranean cruises this season penetrate into the Black Sea, and several of the others include West Indian ports either coming or going. Two cruises, by the *Argentina* and *Brazil* of the Moore-McCormack Lines, include the West Indies, South America, South Africa, several East African Ports through the Suez Canal into the Mediterranean and from there home. These are 62-day cruises, with a minimum of \$2,185.



World cruise on Cunard's Caronia offers 95 shore excursions to passengers.

Round-the-world cruises used always to include the Mediterranean and most of them still do. But with that sea becoming so well explored by other cruise voyages, some of the world cruises are now skipping it and are making the loop around Africa, including African safaris on their programs. Canadians have a choice of two approaches to round-the-world-trips — they can either start by going eastward from New York or by going westward from a Pacific port.

In either case they are bound to touch Japan, which since the war has become a must on every world cruise, and they will pass eventually through the Panama Canal, as no shipping company has as yet thought it suitable to include the West Coast of South America and a trip around the Horn on a cruise itinerary. But probably this will come, in the competition for new ideas.

World cruises are all quoted at pretty much the same basic price per day, \$33, the differences being in the length of the voyage, and in the variety of shore excursions available. The voyages range this season from the 77 days offered on board the *Rotterdam* to the 100 days offered on board the *President Polk* and the *President Monroe*. The shore excursions, of course, may be accepted or turned down as the individual passenger decides.

A good travel agent is valuable when planning any kind of a trip, but he is essential in planning a cruise. There are so many details, especially in a long cruise, and so many things to be looked after which an inexperienced traveller would be completely unaware of. Let us see what the travel agent can do:

(1) He has a complete list of all the cruises available from which you can pick the one that will suit you best.

(2) He can help you figure out costs in advance, so that you will be able to choose a cruise that will not leave you in the awkward position of being skimped for money.

(3) He will look after your money for you. The two biggest travel companies, Thomas Cook and Son and American Express, are able to issue you with their own travellers' cheques.

(4) He will give you complete information about shore excursions well in advance, and will book them in advance if you so desire, but it is perhaps advisable to wait until you are on the cruise before you make your decisions about these matters. An excursion cannot exactly be booked at the last minute, but a day or so in advance is usually enough. The travel agent can advise you about this.

(5) He will tell you what you need with regard to visas and passports, and will fill out the forms for you. He cannot, of course, get your picture taken — there are some things you have to do for yourself.

(6) He will tell you what you need with regard to inoculations and so on, and if special applications or forms are needed, he will look after them for you.

(7) If it is necessary or advisable to book only part of a cruise, he can make all the necessary and complicated arrangements, at the best price to you. It is often possible, when time limitations demand it, to take only part of a cruise and fly home from some intermediary port.

(8) If there are special problems with regard to diets, health, special requirements, and so on, he can approach the company much more efficiently than you can yourself.

The shipping companies work in close cooperation with Cook's and the American Express, and on long cruises the cruise personnel — extra purser, shore guides, games leaders and so on — are supplied by one or other of these travel agencies. If you make your arrangements with the agency that is going to staff the voyage you will be in good hands from start to finish.

# Canada, Colonialism and Color

by Peter Stursberg

IF CANADA HAS anything to contribute to the question of colonialism which, despite the precipitate rush of colonies into statehood, is still a vital issue at the United Nations, it is surely because this country has no colonies, has never had any colonies, and has no desire to have any colonies. It is not, with due respect to the deep thinkers in the East Block, because we were once a colony.

To prate about the latter, I submit, is immodest and only spoils our case. Yet Prime Minister Diefenbaker was the latest to claim our colonial past as a reason why the Asians and Africans should consider us good fellows. "There are few here," he intoned during his General Assembly speech, "who can speak with the authority of Canada on the subject of colonialism, for Canada was once a colony of both France and the United Kingdom."

This assertion did not seem to arouse any enthusiasm among the recent black, brown, and yellow graduates of colonialism, and I wondered what Pandit Nehru, who was in the Prime Minister's audience, must have thought. How many Canadians spent sixteen years in jail in the cause of freedom, as he did?

However, if Krishna Menon were asked his view, I am sure that he would have snorted and waved his stick and burst out: "Was Diefenbaker ever banned from a club because of the color of his skin?" Once again, Menon would have put his finger on a sore spot, an exposed nerve end, in the Western body-politic.

For colonialism is a color issue: it is as much a color issue as the question of racial discrimination or apartheid in South Africa, a perennial item on the U.N.

agenda. Then why do we refuse to recognize this? Or, if we do, why do we attempt to pass it off as a temporary and highly artificial phenomenon brought about entirely by Soviet propaganda?

At one time, there was a maritime definition for colonialism; this was due to the fact that most of the colonial powers were maritime powers. According to this definition, a suitably wide stretch of water had to separate the colony from its imperial ruler — otherwise, it was not a colony.

Hence, the conquests in Europe, the tyrannous rule of the Austro-Hungarian Empire over so many Slavic peoples, were never regarded as colonialism, or so described.

Nowadays, of course, the maritime definition, which always included Canada, Australia, New Zealand, and the United States, is as out of date as sea-power itself. Since the war, almost all the countries which have gained their independence are in Asia and Africa.

Despite the large number of them to become United Nations members, quite a few colonies remain, including some of the worst; all of them are European colonies with colored populations. Thus, the maritime definition has been replaced by a color definition in which there is no room for the white man.

The reason why Canada has any role to play in the issue of colonialism is because this country is free, white, and untarnished by imperialism. There is also its usefulness as the next-door neighbor of the United States and the best go-between with the Americans. But to go around telling the

recently freed Asians and Africans that we understand this problem because we were once colonials too is to protest too much.

Actually, the relatively good standing of Canada among the Asians and Africans is almost entirely due to the fact that we get along well with the Indians. This is a carefully cultivated stance, and it used to be a rule that we sought out Indian opinion, which meant Nehru's view, on the situation in the Far East, and whenever possible accepted it.

As far as is known, there is no change in this attitude, despite the snide remarks about Krishna Menon which are being heard in Ottawa. When he was External Affairs Minister, "Mike" Pearson used to spend hours having tea with the irascible Menon, for which reason alone he deserved the Nobel Peace Prize.

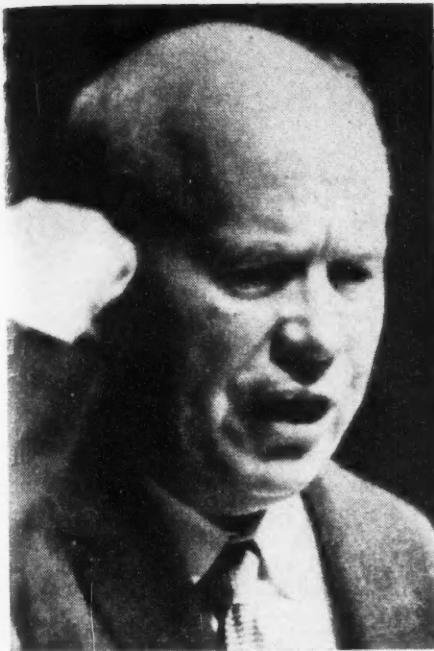
By now, we should have learned that there is no way of destroying this man's influence. The more that Krishna Menon is criticized or defamed, the more Nehru sticks up for him. I remember an Indian correspondent telling me that the Indian Prime Minister lost his temper and threw an ink pot at him when he suggested that Menon did not get on well with the Americans.

To recapitulate: there is no doubt that, as far as the Asians and Africans are concerned, colonialism is a color issue and is only considered in this light.

From that, it becomes apparent that to charge the Soviet Union with colonialism in Eastern Europe has no appeal for the representatives of the recently freed colonies, and only serves to confuse.

*Diefenbaker at the UN: Our colonial past is reason for Asians and Africans to regard us as good fellows.*





*Khrushchev: Master of colonial power?*

During his General Assembly speech, Diefenbaker called Khrushchev "the master of the major colonial power in the world today." Although his language might have been strong, the Prime Minister was repeating what Western leaders have been arguing for a long time. They have tried to make the accusation of "you too, you dirty colonist" stick on the Soviet Union, with notable lack of success among the Asians and Africans.

In all cases, they pointed to the countries of Eastern Europe as examples of "Soviet colonialism", and Diefenbaker asked: "Do we forget how one of the postwar colonies of the USSR sought to liberate itself four years ago, with what results?"

One of the results, which he did not mention, occurred at the United Nations, in the very modernistic General Assembly Hall where he was speaking. It was as clear a demonstration as could be had that the Asians and Africans did not regard the suppression of the Hungarian uprising as colonialism in their meaning of the term, and that Communist domination, as long as it was the domination of white men by white men, was a matter of small concern to them.

The emergency General Assembly session on Hungary occurred in the winter of 1956, within a few days of the emergency session on Suez. Both of these extraordinary UN meetings dealt with virtually the same resolution: a call for a "cease fire" and the withdrawal of all foreign troops.

However, the votes were significantly different. In the case of the Anglo-French invasion of Suez, all the Asians and Africans lined up solidly with the majority (the vote was 64 in favor to five against), while in the case of the Soviet suppression of the Hungarian uprising, most of the Asians and Africans abstained (the vote was 50 in favor to eight against).

Never before had there been such a test as this, and never since. The two special UN sessions furnished proof that colonialism was regarded as a color issue. The Soviet action in Hungary was much more bloody and violent than the Anglo-French invasion of the Suez, but the Asians and Africans disdained it. They did not care if white men killed white men, but when white men attacked colored people, that was an international crime, and they demanded instant redress.

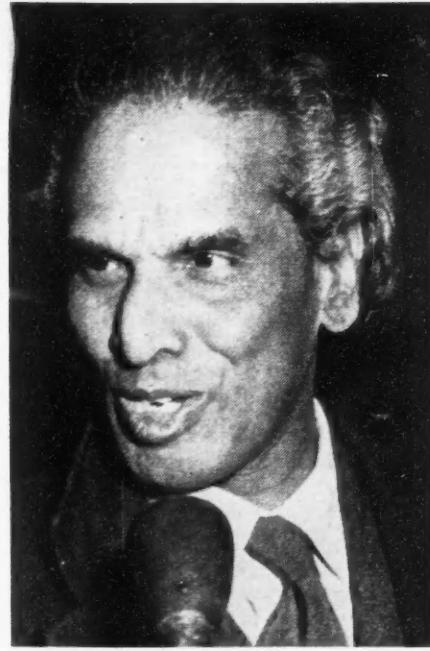
While I realize that this is largely a matter of semantics, it seems to me that we would do better if we charged the Soviet Union with old fashioned tyranny and oppression in Eastern Europe rather than claiming it as an example of colonialism. At least by this we might get a little more sympathy from those members who consider the latter as a color issue.

Yet we go on harping about colonialism in Latvia and Lithuania, and Poland and Hungary. Surely, it is stretching the concept a bit far to include the Ukraine, but that is what Diefenbaker did.

"What of the freedom loving Ukrainians?" he cried. After all, parts of the Ukraine have been joined to Russia since the tenth century. This was rather like claiming that Wales is a colony of the United Kingdom.

That does not mean to say that the Soviet Union cannot be charged with colonialism, and in a manner which can be understood and appreciated by the Asians and Africans.

Under the old maritime definition, the Russians would have got off scot-free, as they own no territories across the sea. But, under the new color definition, they are vulnerable. For many peoples of Mongolian and Tartar extraction, in Soviet Central Asia, belonging to the Moslem faith, live under the domination of the Kremlin. There is Kazakhstan and Uzbekistan, Kirghizia and Turkmenia, just



*India's Menon: Tart remarks in Ottawa.*

to mention a few of the former colonies of Tsarist Russia which Khrushchev claims are now socialist republics.

But they are not free. If they were fully independent, they would be members of the United Nations, as all other former colonies are.

Then, why did Diefenbaker not speak of the freedom loving Kazakhs or Uzbeks? Of all persons, he would not want to be accused of being more concerned about the white people under Soviet domination.

Not once during my six years at the United Nations did I hear a word said about Kirghizia or Turkmenia groaning under the Communist yoke. What is the reason for this abject failure to charge the Russians with colonialism in Soviet Central Asia?

Is it, could it be, that there are no expatriate Kazakhs or Uzbeks, Kirghiz or Turkmen, in Canada or the United States?



*Pearson and Nehru: Our good standing with Asians hinges on Indian friendship.*

# Canadians Must Finance Canada's Future

by J. H. Kent Lyons

ASIDE FROM INDIANS and Eskimos, I think I can claim to be as Canadian as anybody. For nearly two hundred years, my ancestors have been born here, as I was. I've worked here all my life, brought up my family here, and I wouldn't live anywhere else.

But I am deeply disturbed, as are many Canadians, by the rapid erosion of our country's economic independence. I am very concerned about our ability to continue as Canada, a distinct and valuable entity.

Present trends will shortly make this country a dependency of the United States, if indeed we are not one already. I have no quarrel with the United States, nor with Americans. Without their help, we would not exist as we are today.

They are our best friends, and, I hope, will continue to be so; but I don't think it follows that it is in their best interests, or ours, for Canada to lose its independence. On the contrary, there are many reasons why it would be better all around for us to stand on our own feet, to a much greater degree than we are now doing.

I think there is wide agreement with this proposition. There is also wide recognition that the key to implementing the proposition lies in accelerated development, under Canadian control, of our manufacturing industries — particularly secondary manufacturing, which is the prime producer of jobs for Canadians.

There is no simple answer to such development of Canadian industry. We must produce the right products, at the right cost, at the right time. This is true, regardless of who finances, owns, and operates Canadian industries.

However, a fundamental question bothering many Canadians, and which must be answered satisfactorily to implement our basic proposition, is *who* will finance, own, and operate Canadian industries? In essence, Canadians? Or Americans?

So far, the answer, increasingly, is — Americans.

This is the wrong answer. It is the wrong answer for Canadians, and, I think, in the long run, it is the wrong answer for Americans too.

To get the right answer, *we*, the Canadians, have to do something. We have to, because Americans cannot provide the answer. It's up to *us*. Either we make Canada a nation, or we let it go by default.

From my own observations during twenty-five years diversified experience in Canadian industry, as well as from some experience in operating an American company in the United States, I believe we can finance, own, and operate our own industries to a much greater degree than we are now doing.

We *can* do it — but we are going to have to think and act differently than we are now doing. Specifically, we must change our approach to financing Canadian industry.

Generally speaking, Canadian manufacturing industries divide into three categories:

- (1) Large public companies — such as the Canadian steel companies — which are owned and operated by Canadians.
- (2) Subsidiaries of American companies (or English, or other international companies).
- (3) Small Canadian companies — nearly always privately owned.

The first group is already carrying out the basic proposition, usually successfully, although there is some tendency for such companies to fall under foreign control.

As regards the second group, there is probably not much we can do about it, except to try to get their foreign owners to allow more Canadian participation, and encourage Canadians to accept such participation.

I believe that the third group — the small, privately owned companies — is the key one. We must develop new industries, and make little ones grow, and do this under Canadian control.

At the present time, this is quite difficult. With monotonous regularity, this is what happens:

An individual, or a few people, start a business with limited capital. They own the business; to get equity capital for growth, they must personally borrow, pinch and scrape. Generally, they must finance growth out of earnings — a very slow process.

Eventually, many succeed, but with many missed opportunities. This kind of slow, stunted growth is no answer for Canada and Canadians. While this condition prevails, we do not generate enough jobs. Many times, an American company (or European) with adequate capital, enters the market and snatches it away from the under-financed Canadian companies.

The very difficulty of financing makes

such Canadian businessmen super-cautious — they have to be to survive. They can't take risks, because they haven't the resources.

At a later date, some owners find they have built up a successful company; but now they face new problems. They want to retire, or they want to make provision for inheritance taxes. A man finds he's worth several hundred thousand dollars — on paper, but he can't spend a nickel of it.

He may be able to sell out his share to associates, who will pay him out of earnings. Sometimes his associates are reluctant to do this, because they will face the same problem later.

He may be able to sell his company to another Canadian group. However, he's in a buyer's market and will often have to sell much too cheaply.

In desperation, he turns to American, or European interests, who often will give him a better price. Thus, one more Canadian company passes to foreign control.

What are we going to do about it?

I believe my own experiences may show some answers.

Two years ago I became interested in just such a small, struggling Canadian manufacturing company — with one basic difference.

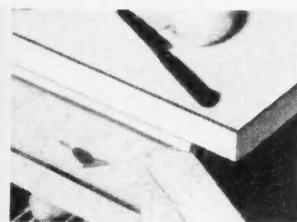
This one was, and is, a public stock company. True, about 70 per cent of its stock was held by Americans, but as individuals, not by corporations. It has about a thousand shareholders, including several hundred Canadians. A majority of its board of directors, and its management, are Canadians.

At the time, this company needed additional equity money, and needed it desperately. The amount involved was not large; but in spite of considerable efforts, we could not raise the money in Canada. However, we did raise it in the United States, from individuals, through a New York investment house.

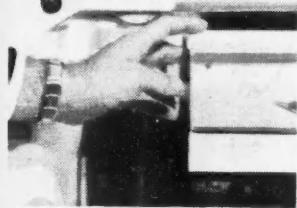
Again, most of the new stock was sold to Americans. However, some was sold to Canadians — through the New York house! As a result, the company turned the corner, and is prospering — and growing.

I think this experience is most significant, and points the way to implementing our basic proposition.

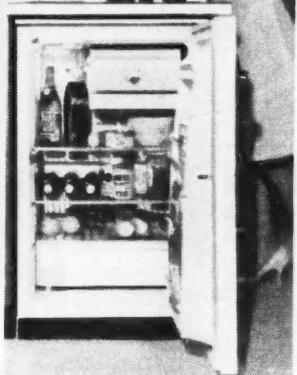
I think an essential step in developing small Canadian companies must be taken



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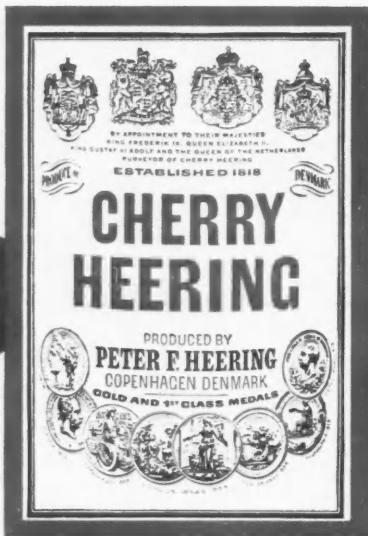
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by Canadian investment houses. They must shift their attention from resource development to industrial development. We must have houses here, (they are quite plentiful in the United States), who are prepared to work with small industries, learn their problems, and assist them in finding risk capital.

I believe that, by so doing, our investment houses would do themselves a good turn, in the long run. There is an opportunity for them here, which is not really covered at all by Canadian houses, but which again is beginning to be covered by American houses.

If American houses fill this vacuum they will sell largely to Americans. Result—more control of Canadian industry by U.S. capital.

Our investment houses must concentrate on getting small Canadian companies to "go public"; they must educate the Canadian public to invest in such companies — not on a "get-rich-quick" basis, immediate returns or dividends, but on a long-term growth basis.

They must understand, themselves, and get the Canadian public to understand, that such investments are investments in the future of Canada, and that they are necessarily therefore, long-term.

Such ventures are risky; but Canadians have shown they will invest in risky situations. They have done it for mines, oils, etc. I submit the only reason Canadians have not provided risk capital for small Canadian manufacturers, is that there is no mechanism which enables them to do so, on an intelligent basis.

I believe that, if such a mechanism is provided, Canadians can be sold on investing in the future of Canada, knowing that they may lose on individual investments, but that they will gain, on the overall, in the long run.

We still have plenty of people with vision, courage, and enterprise. In fact, right now we probably have more than we have had in decades — the million and a half new Canadians have demonstrated that they have such qualities, not only by coming here, but by their actions since.

What Canadians need is the leadership and opportunity to invest in Canada. I don't believe this is a job for government. I believe it is a job which can only be done by Canadian investment houses.

We need investment houses who will do a lot of hard work in this field; who will educate themselves on industry; who will handle small issues for small margins, and get their rewards as the companies they have helped, prosper and grow. This is the basis on which such American houses operate. Let us learn.

This job is not easy, and will not be done quickly. Unless we, the Canadians, do it, however, others will do it for us — and then we shall no longer be Canadians.



*Merck and Co. Inc. plant at Valleyfield, Que. Goods heretofore made by Canadians now will be imported.*

## How Tariff Administration Hurts Business

by Anson C. McKim

MANY TYPES of secondary manufacture in Canada depend on tariff protection to meet the competition of low-cost imports. But there are some little-known aspects of the application of the Canadian tariff that often make it useless.

For example, it is generally believed that a 10 per cent duty gives that much advantage to a Canadian manufacturer over any importer; that he should thus be able to undersell any importer if he sets his price at less than 10 per cent over the usual price in the importer's homeland. At least, that is what a Member of Parliament intends when he votes for an item in the Customs Tariff Act; it is certainly what a businessman expects when he enters manufacture; but it is not necessarily the case, and very few people even in our government seem to realize the serious implications of this failure of practice to implement them.

The experience of Merck & Co. Inc. of Rahway, N.J., shows the results all too well. Merck founded a Canadian subsidiary in 1929. A line of fine chemicals for pharmaceutical and other industrial uses was produced in Montreal. They became leaders in many things; indeed the first penicillin produced in the British Empire by large-scale fermentation was made by Merck Limited in Montreal. In 1945 a site was purchased in Valleyfield, Que., and a full-scale plant erected. This was added to up to 1958 by the provision of

more services, laboratories, warehousing and manufacturing buildings. Other products were added such as bulk vitamins, medical specialties, steroids, propionates, flour enrichment and animal feed supplements.

At the peak of activity in 1958 more than 400 persons were employed at Valleyfield of which number 37 were university graduates. For ten years prior to 1958 export sales averaged about \$2½ million. The company was consistently successful. But about 1957 the economics of Canadian manufacture started to change. Canadian costs rose at the same time that industry was recovering in Germany, Italy, Japan and elsewhere. Merck soon found that some of their export markets preferred these new sources where payment could be made in soft currency, and here and there arbitrary restrictions were raised against exports to protect budding industries.

Such restrictions were frowned on by the General Agreement on Tariff and Trade signatories and were never resorted to by Canada. Merck's exports fell and domestic sales rose only in those lines of specialty products which take much research. The bulk chemicals, which employed most of the labor, lost out more and more to competitive imports.

The company's products for the most part were covered by tariff items with rates up to 20 per cent. The company had

the right to expect to fill the entire Canadian demand by setting prices well below the usual foreign prices plus 20 per cent but this did not come about. Imports were enabled to flow in because of the way the duty was administered by the government and here is where Merck's troubles began. Though importers could by-pass our tariff, Canadian exporters could not employ the same methods to enter foreign markets.

The most common method encountered was the declaration of low values for calculation of duty. For example, United States manufacturers set up subsidiaries in Canada and shipped to them at prices which only a very few of their customers even in the U.S. could hope to be quoted. Often these few customers were in a special category such as being "co-manufacturers."

An example of a co-manufacturer might be one making some vitamins but needing one or more of them to round out the line or to make up a deficiency. If the Canadian subsidiary could qualify as a "co-manufacturer" by any sort of an operation he too would receive a discount below the ordinary customer's price.

Suppose the regular U.S. price was \$100 but the importing Canadian subsidiary received the special price of \$85. It is apparent that \$85 plus 20 per cent duty or \$102 still enables the goods to be sold in Canada at a level that gives the

# How the U.S. Customs Bureau Strangles Trade

WHILE IMPORTS CONTINUE to flow through Canada's leaky tariff walls, our biggest customer has, in effect, told Canadian manufacturers to keep out.

The recent action of the U.S. Bureau of Customs in arbitrarily raising the valuation on Canadian goods so far affects only 12 Canadian subsidiaries of U.S. companies. But it carries an implied threat for fully half of Canada's manufacturing industry. The new U.S. Customs ruling, if upheld, will virtually close the door on exports to the U.S. parent company by Canadian subsidiaries. Currently, about half of Canada's manufacturing industry is controlled by U.S. interests.

At issue is the 1956 agreement under which the U.S. Bureau of Customs promised that once a firm ruling on the value of a Canadian product had been given, this value would stand. Previous to this, Canadian manufacturers had been severely handicapped in selling into the U.S. because they were unable to tell, in advance, the duty charges on their shipments. This uncertainty, in turn, due to capricious, arbitrary customs valuation, prevented them from quoting firm prices to U.S. buyers.

The action of the Bureau in the recent case of Acme Steel Co. of Toronto, indicates that the Bureau is reverting to arbitrary valuation. If this is so, the Bureau will have acted without prior discussion with the Canadian government or business interests, despite the 1956 written agreement.

Under the 1958 Simplification Agreement, U.S. customs may appraise goods entering the U.S. from Canada under one of three headings: export value; U.S. value; constructed value. The export value is the price at which Canadian goods are offered for sale in Canada to export to the U.S. The U.S. value is the price of similar goods sold freely in the U.S. The constructed value is based on the cost of materials and fabrication plus general expenses and profit. Canadian-made goods must be appraised under one of these headings when they arrive at the border.

In the case of Acme, exports which previously had been appraised under

export value were arbitrarily moved into the constructed value category with duties levied on the basis of Acme's general expenses and profit. Acme then protested to the U.S. Customs Court and sought a reappraisal.

For its part, the U.S. Bureau of Customs says that Canadian subsidiaries of U.S. firms do not operate "at arm's length" in their dealings with their parent firms and, therefore, sell into the U.S. market at less than a fair price. (The companies and the Canadian Manufacturers' Association, however, say that the products questioned were being exported at prices which covered all production costs and a satisfactory profit. The goods were offered at these prices to all foreign buyers.) On this basis, the Bureau of Customs claims that an export price does not exist in dealings between a parent company and its foreign subsidiary.

Again, Canadian interests say that this discovery by the Customs Bureau of the non-existence of an export price is new. Export price was admitted to exist when the Canadian companies originally applied for a firm ruling on valuation of their products. In some cases, rulings of 16 months' standing have been upset by the Customs Bureau's "discovery".

Contrarily, however, the U.S. Customs court ruled July 26 that the term "arm's length transaction" was one of uncertain meaning and that there was nothing in U.S. law to suggest that in considering export value, transactions between related persons should be treated differently from transactions between unrelated persons. For these and allied reasons, the Canadian companies feel that the Customs Bureau has amended the law on its own initiative and without proper authority.

If the Customs Bureau ruling is upheld, however, and Canadian goods are assessed at other than export price rates, the result will be the virtual prohibition of exports by Canadian subsidiaries to their U.S. parents — and this, it must be remembered, has been the area where the greatest gains had been expected for Canadian manufacturing exports.

The experience of Diversey Corp. of Canada Ltd. is an example. In 1958 Diversey decided to explore the possibility of exporting from its Port Credit, Ont. plant to the parent company in Chicago. The U.S. company did not produce the product but purchased it domestically from two U.S. suppliers. The parent firm agreed to buy from the Canadian subsidiary if the product could be priced competitively. The Canadian firm calculated all costs and carefully followed the procedure set out in the 1956 agreement with the Customs Bureau and received a ruling accepting their price as satisfactory to the Customs Bureau in September, 1958.

Diversey of Canada then went one step further by applying for confirmation of the Chicago ruling by Washington. This was given together with the assurance that the valuation ruling would not be changed.

On this basis, Diversey of Canada installed the necessary added capacity, bought supplies and began shipping to Chicago. Then, after shipping into Chicago for 16 months, Diversey of Canada was notified that the Customs Bureau had decided to increase valuation of the company's product by 32 per cent. This increase brought the valuation for duty purposes up to what the company says is the retail price of its product in Canada. Furthermore, the increased charges were made payable on all goods shipped during the previous 16 months.

The U.S. action contradicts accepted international concepts. For example, it has long been recognized that the cost structure for goods produced for export is not identical with that of goods produced for domestic consumption. (It was, in fact, recognition of this very difference that brought about adoption by the U.S. of the 1958 Customs Simplification Act.) The export price for Canadian manufactured goods is lower than the domestic price by the amount of merchandising and distribution costs which would be added if the goods were sold in Canada. These added costs simply have no meaning for export goods.

Canadian manufacturer almost no benefit from the duty voted by Parliament. The importer's cost is only two per cent over the usual U.S. price instead of 20 per cent.

This does not work in reverse; the U.S. customs declaration specifically asks "Is this price freely offered to anyone who wishes to buy the goods for home consumption?" and unless this question can be answered in the affirmative, the price cannot be used as a basis for U.S. duty.

There is another method of undermining the duty benefit. Many of Merck's customers were subsidiaries of foreign parent companies which, being very much larger, qualified for much lower prices than would a purchaser the size of the subsidiary. By combining the requirements of the Canadian subsidiary with their own home requirements, the benefit of the low price was available to both. The price to a small user in a foreign country might be \$100 in which case a Canadian customer of the same size would expect, with a 20 per cent duty, to pay \$120 for imports.

If, however, a large foreign parent of Merck's Canadian customer qualified for a price of \$90 they could supply their subsidiary in Canada after 20 per cent duty at \$108 and the effective duty from Merck's viewpoint was eight per cent instead of 20 per cent. Merck faced a dilemma: either they sacrificed this part of their Canadian market or they met the price, and having met it, must also give it to other customers of like size or incur the ill-will of independent Canadian customers. Moreover, there are legal obstacles to a multi-price policy.

Still a third method bedevilled Merck's competitive position as a manufacturer. The selling price in the country from which imports are sent to Canada is known as the "fair market value." Imports priced below this are penalized by anti-dumping laws and the customs duty is calculated on the "fair market value."

Foreign manufacturers, naturally, used any legal device to establish low values on their goods entering Canada. Such values are lower in some foreign countries than others and goods may be sent to Canada by way of an intermediate country. This was a problem for Merck where products could be shipped long distances for low freight cost as, unless forwarded on a through bill-of-lading, the value for duty is that of the country from which last shipped. The goods may never have been cleared into the intermediate country but have only been held in it in bond.

The Dominion Bureau of Statistics insisted on showing the goods as having come from the intermediate country and not from the country where they were actually made so that it is not easy for a Canadian manufacturer to find out the source of his competition. Merck claimed in vain that the value for customs into Canada should be that of the country in which

the goods were manufactured. If the value in the intermediate country is the lower, then the law gives the advantage to the importer.

These three methods of importing alone show the extreme necessity for corrective legislation if we want our tariff to do what it was surely intended to do and what other nations' tariffs do for them. There are, however, other methods both legal and illegal, none of them easy to detect or to prove, and usually discovered only after the damage is done.

It would seem that the three methods mentioned could be corrected by:

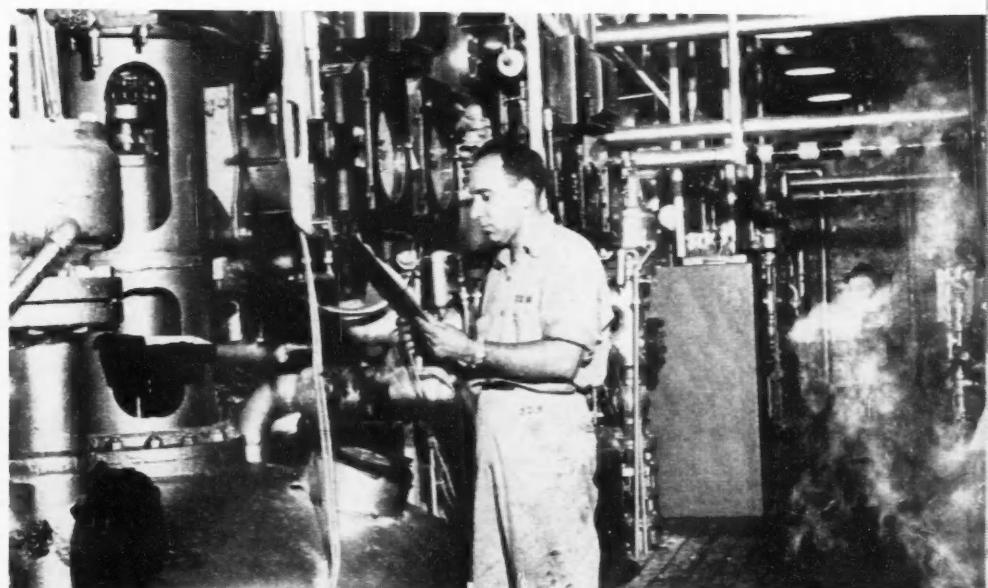
(1) adding "freely offered" or other suitable words to the definition of "fair market value" in the Customs Tariff Act;

(2) requiring imports by a Canadian subsidiary of a foreign company to be valued at the price the Canadian sub-

terests of the Canadian economy — one using Canadian labor and materials. They wanted to hold technical men from drifting out of Canada and attract managers with the satisfaction of operating an integrated organization. They pointed out that Canada might lose the chief manufacturing unit in their type of industry and the only unit in Canada making many of their products.

In any case, the result envisaged by Merck came about. A few operations were transferred to Montreal but the Valleyfield plant is being closed down. Goods heretofore made by Canadians will be made by laborers of other countries and imported.

Canada has excellent civil servants; if they lean toward helping international trade rather than home manufacture, it must be for lack of direction from the



Manufacturing ventures are being discouraged by Canada's tariff attitude.

sidiary would pay for its own volume of purchases rather than the lower price paid by its parent company;

(3) requiring import documents of goods entering Canada by way of an intermediate country to show the country where the goods were produced, and the "fair market value" to be the value in that country or the country of immediate origin whichever is higher.

There would not seem to be any conflict with GATT in any of these suggestions. It would merely cause the hard-driven bargains for rates of duty at world meetings of GATT to do for Canada what they do for others.

Merck brought these and other similar matters to the government at every level. They said the request was not to enhance profits of the company as a whole; that could be done by manufacturing outside Canada and importing. They asked for help in saving a manufacturing operation in Canada and it was not given.

Merck pointed out that they wanted an organization that seemed in the best in-

government or lack of legislation enabling them to act otherwise.

Perhaps another management would have held out, or perhaps the government had undisclosed reasons for their attitude. Some of Merck's manufactured lines would probably have succumbed to imports even with an effective 20 per cent duty. It may be that Canadians don't think it good policy to protect this type of secondary industry. But whatever the case our present procedure surely does not make sense.

Duties are intended to have a purpose. Bargainings at GATT have implications for both our export and home sales. To bargain for a rate of duty and then render it vulnerable by our tariff administration can only get us the worst of both worlds.

This is an example of one company that has closed a plant but other manufacturing ventures are discouraged by the Canadian attitude. It is unfortunate for us if they locate in other countries with a duty no higher than ours but which is administered with firmness.



Toll-TV system of Trans-Canada Telemeter has 6,000 subscribers in Etobicoke. TV set at right has box for coins.

## Toll-TV: The Money Pipeline

by Dean Walker

SOMETHING SUPPOSEDLY revolutionary is happening in Canadian television—three “second,” competitive stations opened recently and five more will follow soon.

These stations add nothing significant to the medium. But as they go on the air with pomp and inconsequence, the seeds of a genuine television revolution sprout sturdily in Etobicoke, Toronto. There, toll-TV is being tested.

Until this Etobicoke test started, television had tried only two basic systems of financing its programs and both had drawbacks. TV financed solely by advertising stumbles into the lowest-common-denominator morass. TV supported entirely by taxes has other weaknesses: it can be divorced from public taste, become slow, sloppy or—worse!—it may become a government mouthpiece. The Canadian system, supported by both advertising and public subsidy, has been a surprisingly fruitful hybrid. But the extra stations add nothing new in Canada except further channel choice.

The Etobicoke toll-TV trial, on the other hand, could give the world its lead in developing a richer entertainment medium than it has ever known. In every western country now, the eyes of investors, advertisers, entertainers and show-business entrepreneurs focus on Etobicoke.

Toll-television subscribers pay directly for the programs they watch—and only for the programs they watch—by feeding

coins into a slot machine. Each evening and most afternoons, the system offers them a choice of new movies or an occasional live “special”.

Etobicoke was picked for the test because its people are well-off, generally speaking, and live in a very competitive entertainment area (they can choose from five television channels, two local movie houses and the attractions, such as they are, of downtown Toronto).

The toll system to which 6,000 of them subscribe is operated by Trans-Canada Telemeter, a subsidiary of Famous Players Canadian Corp. (theatre and TV station owner), itself a subsidiary of Famous Players of the U.S. and therefore of Paramount Pictures. What Telemeter, Famous Players and the rest of the entertainment world now want to know is: how effective a pipeline can toll-TV be?

All good television systems are pipelines—of programs from producers to public, of money from public to producers. When the public does not get the programs it wants because the producers cannot afford to make them, then the pipeline is plugged. Under the right system, with the right pipeline, money and talent are available to make TV all things to all men.

Money? Available by the billions of dollars. When an audience has spent as much on sets and antennas as it has in Canada and other countries, it will surely pay whatever is necessary to make that

investment worthwhile. Fifty-five million North American set-owners can probably generate enough money to hire the entire entertainment and communications talents of the world.

Yet, with money and talent there for the tapping, TV has not hit its full potential. Although it broadcasts some good programs, a few great ones and is technically proficient, it also broadcasts thousands of hours of a flavorless pap that fills without satisfying. Something is obviously wrong and it may be time for a change in The System.

A change? “Never!” shriek commercial broadcasters who, with bank accounts bulging, are the keenest Status Quo Seekers in North America. For ten years, only occasional government commissions have bothered them. But a grit in their eye has been the threat of toll-TV and they have tried to rub it out with lobbying and vitriolic propaganda campaigns.

They successfully killed all worthwhile toll-TV tests until the Etobicoke experiment started eight months ago. To alarm them further, an important broadcast toll-TV test will start soon in Hartford, Connecticut (see box) and another project will get under way in Sault Ste. Marie, Ontario.

Telemeter programs are not “broadcast.” They are sent along wires installed by the telephone company. A wired system is expensive and cumbersome but it

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adds twelve new channels to the TV spectrum and effectively avoids the jurisdiction of the Board of Broadcast Governors in Canada and the Federal Communications Commission in the U.S.

Success for Telemeter in Etobicoke would offer American Telephone and Telegraph the titillating prospect of re-wiring every North American community. However, the telephone companies dare not look too enthusiastic about toll-TV because existing commercial broadcasters are paying big money for their present use of telephone landlines and microwave links.

Telemeter in Etobicoke transmits on three of its twelve channels. One is free and offers public service programs, educational shows, industrial films, news of the immediate community and hi-fi music all day.

The two pay-as-you-see channels offer new movies and some sports events unavailable on commercial television. Subscribers pay a \$5 installation fee and 75 cents or a dollar for an evening's program of travelogues, cartoons, trailers and a feature.

With some 6,000 homes hooked to its system, Telemeter is right now cost accounting and examining its whole operation. If its ledgers spell "profit", it will next move into Swansea and York Townships; London, Port Arthur and Fort William, Ontario; and maybe into Queens, New York.

The company has released no real figures yet on its Etobicoke run but it is unofficially estimated that subscribers are spending between \$8 and \$15 a month. If so, Telemeter is a wild success.

There are boggling returns possible in this business. One firm of Toronto investment consultants reckons that a toll-TV system throughout Metropolitan Toronto could make \$6,800,000 a year gross profit if subscribers spent only \$2 a week. If Canada's existing television sets each netted \$2 a week, toll-TV could gross \$400-million a year here (cf. CBC's annual public grant for five radio and TV networks of about \$75-million). Project these figures to include North America's 55-million sets and you can understand the heat of tempers and enthusiasms in trade discussions of toll-TV.

If toll-TV proves an efficient pipeline of such enormous amounts, program producers will have scope they have never known before. There would be new life and self-respect in Hollywood where now most of the film industry grinds out low-budget series for commercial TV.

A Canadian entertainment film industry could come into existence, too. National toll-TV could let a \$500,000 Canadian film earn its money overnight.

Sports promoters gloat. They see their present high TV fees multiplying when viewers can put money in a slot to watch big games.

Significant in view of commercial TV's quandaries, toll-TV could afford to entertain minorities. When the audience for ballet is only one-tenth the audience for Ed Sullivan, few advertisers can be interested. But one-tenth of Ed Sullivan's North American audience is several million people, a larger box office than any ballet ever had.

The crux of the matter is, of course, that where it is profitable for advertisers to spend maybe a nickel to attract a family to a television set for 90 minutes, many families are prepared to pay a dollar for a worthwhile hour-and-a-half free of commercials.

Pay-TV will not kill commercial television but it will force it to clean shop, to redefine its aims and techniques and, above all, to make its commercials more palatable. The viewer can only win.

Toll-TV still has battles to fight. The lobbying is as fierce as ever. Theatre Owners of America, for instance, keep up their elaborate campaign and employ full-time trouble-makers. The Canadian

equivalent group is also vigorously opposed. RKO-General, backing the first broadcast test of toll-TV, thought it necessary to set aside \$2-million to fight toll opponents.

The infighting will stop some day. The public will decide what it wants and even the wackiest business ethics can hardly justify denying it the chance to pay for programs if it wants to.

If the public does pay directly for some of its TV fare, a new entertainment industry will be established in the U.S. and Canada. Its producers, distributors and exhibitors will form yet another huge branch of the mass communications industry, absorb a significant amount of the national energy and help fill the spare time of a people perplexed by increasing leisure.

All in all, the significance of the toll-TV experiment now underway in Etobicoke, Ontario, makes the boisterous broohaha surrounding the opening of second commercial stations seem like a storm in a cracked and well-used teacup.

## Other Competition in the Medium

TELEMEETER'S IS NOT the only toll-TV system available.

\*Zenith Radio tested its "Phonevision" system by wire in Chicago in 1950. A dollar was added to subscribers' telephone bills every time they tuned a movie. But the viewers soon objected to unexpected mighty monthly telephone bills.

\*Telemeter ran an earlier trial in Palm Springs, California, but hit program supply problems when local theatre-owners ganged up on it and pressured film distributors. For a while, however, Palm Springs coin-boxes yielded a healthy \$8 a month.

\*A Waterloo, Ontario, company (General Instruments-F. W. Sickles Canada Ltd.) last month joined forces with Charge-a-Vision International Ltd. of Toronto to start a view-now-pay-later system in Sault Ste. Marie and later in Guelph.

\*Video Independent Theatres experimented in Bartlesville, Oklahoma, charging a flat \$9.50 a month for all the movies you could stomach, but the public apparently objected to the fixed charge.

\*The most significant trial will start in Hartford, Connecticut, where RKO-General will use Zenith's "Phonevision" equipment in the first broadcast toll-TV experiment. There will be 300,000 TV sets in the station's range. It will offer commercial programs in the daytime and pay-TV shows at night.

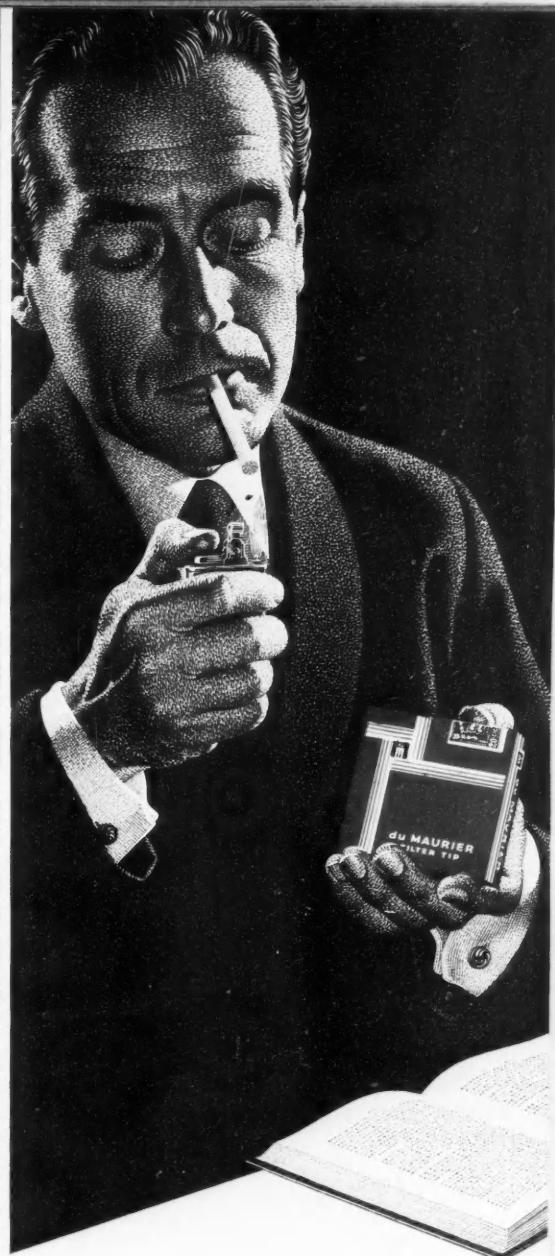
\*Skiatron Electronics is another company with a pay-TV system and it has a deal with American Telephone and Telegraph which might put it into operation on the U.S. west coast. However, it will be delayed by recent problems it ran into with the Securities Commission.

\*Dark horse of the field is a British company, Rediffusion Inc., which runs a pay-TV experiment with the Rank Organization in Exeter, England.

Rediffusion's basic business is in wiring communities to bring interference-free radio and television programs. Its existing networks in many countries could easily be hooked to a pay-TV system.

Tim Cross, president of Rediffusion's Canadian company, told SATURDAY NIGHT: "We are awaiting the outcome of the Telemeter experiment before deciding whether to proceed with subscription television in Montreal.

"We have an additional channel ready on our cable here and, when we go ahead, we will have to decide between four technical methods—two designed in our research laboratories in London, and the Telemeter system and the 'Jerrold' system. We are, of course, sitting pretty in Montreal with a network serving 16,500 subscribers."



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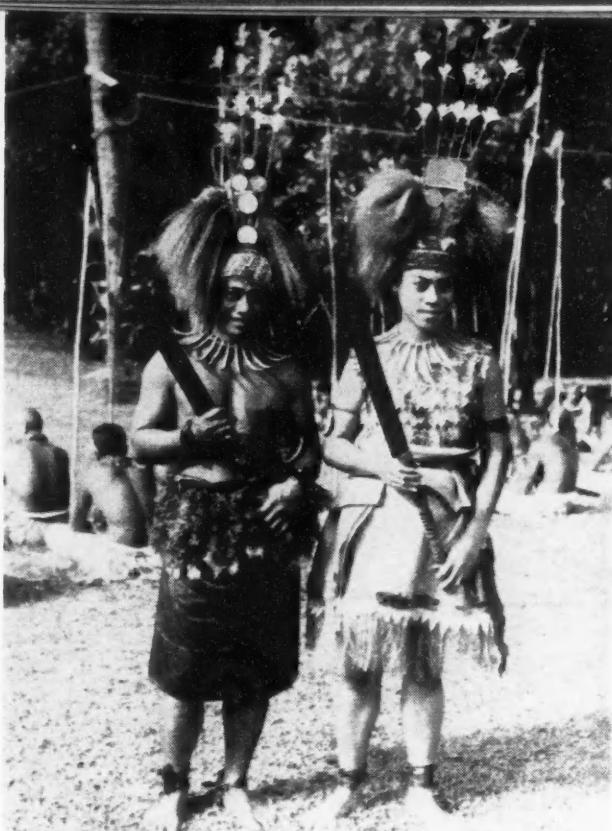
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The kava ceremony is performed to honor guests.



Samoan men dressed for the gay, ceremonial dances.

## Samoa: Pearl of the Pacific

by Howard Merton

EVER FEEL YOU just have to get away from it all? Was there never a day when you wished for nothing more than to go away and live on a tropical island? Such occasional dreams are hard for anyone to deny. And when we dream this way our thoughts, influenced by romantic fiction and the movies, usually fly far off to the South Pacific.

But not just any island will do for this kind of escapism. It's got to be exotic, untaught by the high-pressure living that prompted the desire to escape in the first place. The climate must be warm, there must be handsome natives, cocoanut palms and moonlight, yellow sands bright under deep blue skies.

All this — is it merely dream stuff in the age? It's rare, but it exists surely enough, all of it and more, in the Polynesian islands of Samoa.

Located below the Equator in the Pacific Ocean, Samoa is about 4,500 miles south of Vancouver. Sixteen emerald-green islands and a number of coral atolls comprise the group, which has a collective area slightly more than half that of Prince Edward Island, about 1,200 square miles.

Samoa is not as isolated as it once was. Mason Company liners ply between

San Francisco and Pago Pago every three weeks. The Orient and Pacific and Orient Companies provide a regular service between Vancouver and Auckland and Sydney. Three steamship companies link the Samoan Islands with New Zealand and Australia. Travelling time by sea from Vancouver is about three weeks. One-way fares begin at about \$400.

Pan American now provides two fast flights a week to the South Seas, each of which calls at Honolulu. One takes you by jet to Honolulu, and from there to Pago Pago by Stratocruisers. Flying time: 18 hours. The other flight, by jet all the way, takes only 13 hours to reach Nandi, Fiji, a short boat cruise from Samoa. Return air fares range from \$696.60 tourist, to \$1,114.20 first class.

Politically, the islands are divided in two. The United States Navy administers the seven islands of Eastern Samoa from the township of Pago Pago on the island of Tutuila. The remaining nine islands are known as Western Samoa, a New Zealand dependency, and are administered from Apia, on Upolu Island. Crossing the political borderline presents no more difficulty for Canadians than the 48th Parallel.

The islands are volcanic in origin and very rugged. Dense forest, splashed with color by wild hibiscus, frangipani, gardenia and orchid and harboring 16 bird species found nowhere else in the world, blankets most of the land. Palm-fringed coastal strips support the bulk of the population. Yearly temperatures range between 65 to 90 degrees Fahrenheit.

It's something of a miracle that the Samoa of old has survived, considering the publicity it has gained from the pens of famous people.

W. Somerset Maugham knew the islands well. Samoa was the setting for his famous story, *Rain*, which introduced the reading and theatre-going public to that fabulous South Seas adventuress Sadie Thompson. Decades later Kon Tiki anthropologist Bengt Danielson revealed that "nowhere has Polynesian culture been better preserved than in Samoa".

James A. Michener, author of the prize-winning *Tales of the South Pacific*, wrote: "(They are) the finest remaining Polynesians. The men and women walk like gods with unmatched dignity. Never will you see in London and Paris old men so handsome as these Samoans."

But it was Robert Louis Stevenson who "put Samoa on the map". Doctors' advice



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drove Stevenson from his native Scotland in 1888 in search of the perfect climate. One year later he settled in Samoa, where he built a home at Vailima, up in the hills three miles behind Apia.

Today, this carefully preserved house is the residence of the High Commissioner for the Territory. The Samoans grew to love Stevenson. When he arrived on Upolu, Germany, Britain and the United States were squabbling for possession of the islands. His lone voice appealed to the world on behalf of the Samoan people. Even today these people speak reverently of their Tusitala — their beloved "Teller of Tales".

Samoa's intake of casual visitors rarely exceeds two or three hundred a year. It is in no way a commercialised tourist resort. Swank cocktail bars and posh hotels simply don't exist, and there is very little organized entertainment. Samoans are friendly and generous, but they never try to im-



Samoan women are noted for beauty.

press visitors. Tourists are left largely to their own devices.

Accommodation, although comfortable enough and adequate, is strictly limited. In Apia there are four hotels — Aggie Grey's, The Casino, The White Horse Inn and Annie Jones' — which combined can take only 85 guests. The Rainmaker and the Hotel Annex, Pago Pago's only hotels, total between them 15 rooms. Tariffs range from \$4 to \$7 a day.

What then can you do in Samoa? Nothing much — except relax, marvel at the scenery and perhaps take a lesson from the Samoans on how to live an ulcer-free life.

You soon find out why Samoa was tagged "The Pearl of the Pacific". But while in the process, it's best not to rely on local bus services, which good-naturedly ignore schedules. Boats and taxis are the most rewarding forms of transportation. The taxis are modern, plentiful and cheap, and their easy-going drivers think nothing of parking at a beach while passengers dash off for a swim.



Girl weaving distinctive tapa cloth.

Most aspects of the essential Samoa can be seen on Upolu Island. A 30-mile drive west along a coastal road from Apia brings you to Poutasi, a mountaintop village. Visitors usually gaze from this lookout in silence. The scenic beauty viewed from there is almost overpowering.

Mount Tafua and the neighboring islands of Savai'i, Manono and Apolima stand out sharply, a lush bottle green. Sands of pale gold, bordered with dense stands of cocoanut palms, fringe the curving inlets. Surf froths over coral reefs. The reefs, which are formed roughly parallel to the shores, and a profusion of submarine channels running seawards, create fantastic patterns in every imaginable shade of green and blue.

Not far away on the south coast of Upolu is Mulifanua, the biggest copra plantation in the Territory. Here a lattice of bending palm trunks extends inland as far as your eyes can penetrate. On the sea side of the road some of them bend almost horizontal over a lagoon. In neat clearings are the picturesque villages of the Samoan plantation workers.

Bordering almost every Samoan island is a coral reef. It pays to inspect these reefs closely. The delicately shaped coral, formed in walls and in clusters on lagoon floors, takes on subtle hues of pink and blue that are perhaps peculiar to it. Fish, vividly colored and often weirdly shaped, dart among the coral masses.

Sometimes the surface of a lagoon is still enough to look like glass. Passengers looking over the sides of stationary boats into 60 feet of water in this condition have admitted feeling a sensation of fear. The water is so clear it is invisible, producing the momentary belief that there is nothing to prevent the boat from crashing to the sandy bottom.

Beyond the reefs deep ocean waters provide some of the world's best big game fishing. Here, swordfish and shark abound and marlin up to 1,200 pounds have been landed. Samoan launch skippers, who have lost none of the Polynesian's prowess on

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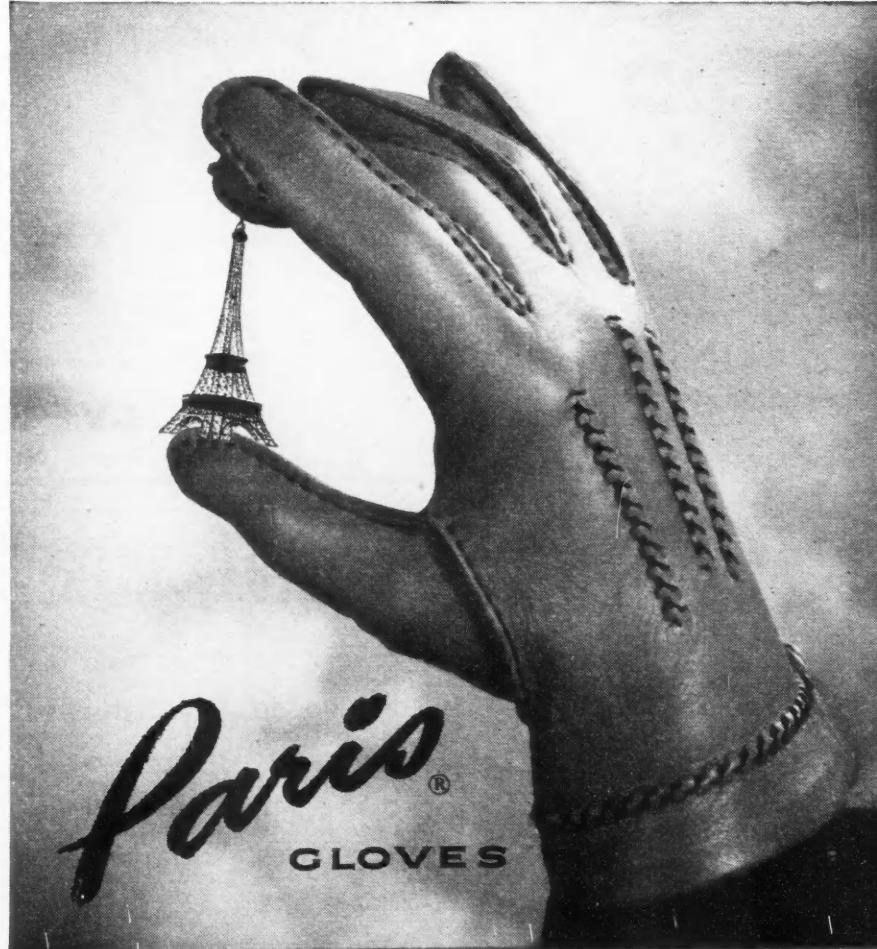
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the sea, have a sixth sense about where the big ones will bite.

But it is through social contact with the people themselves that the escapist's nerves are most soothed.

Of Samoa's total population of 150,000 fewer than 1,500 are not of Polynesian stock. Samoans don't fight life; they go with it. They believe one should work to live. If you get to know them well they may suggest that Europeans, practising the reverse of this belief, never leave time to relish full living. But something of the magic of their gracious, unhurried way of life always rubs off on the visitor who takes the trouble to meet them socially.

Getting to know Samoans is not difficult. They are friendly and polite. If you are in their vicinity when one of their many feasts or ceremonies is being staged, they will more than likely invite you.

These people have preserved Polynesian traditions far more than their racial cousins in Hawaii, New Zealand, Tahiti and Tonga. The old customs still remain the fabric of their social organization and are the dominant influence in Samoan life.

They openly appreciate respect shown to their own etiquette. Their greeting is a handshake and a smiling "Talofa lava" (Hullo to you). Then they conduct you inside their house, which usually has no walls and is little more than a large platform under a gabled thatch of palm leaves.

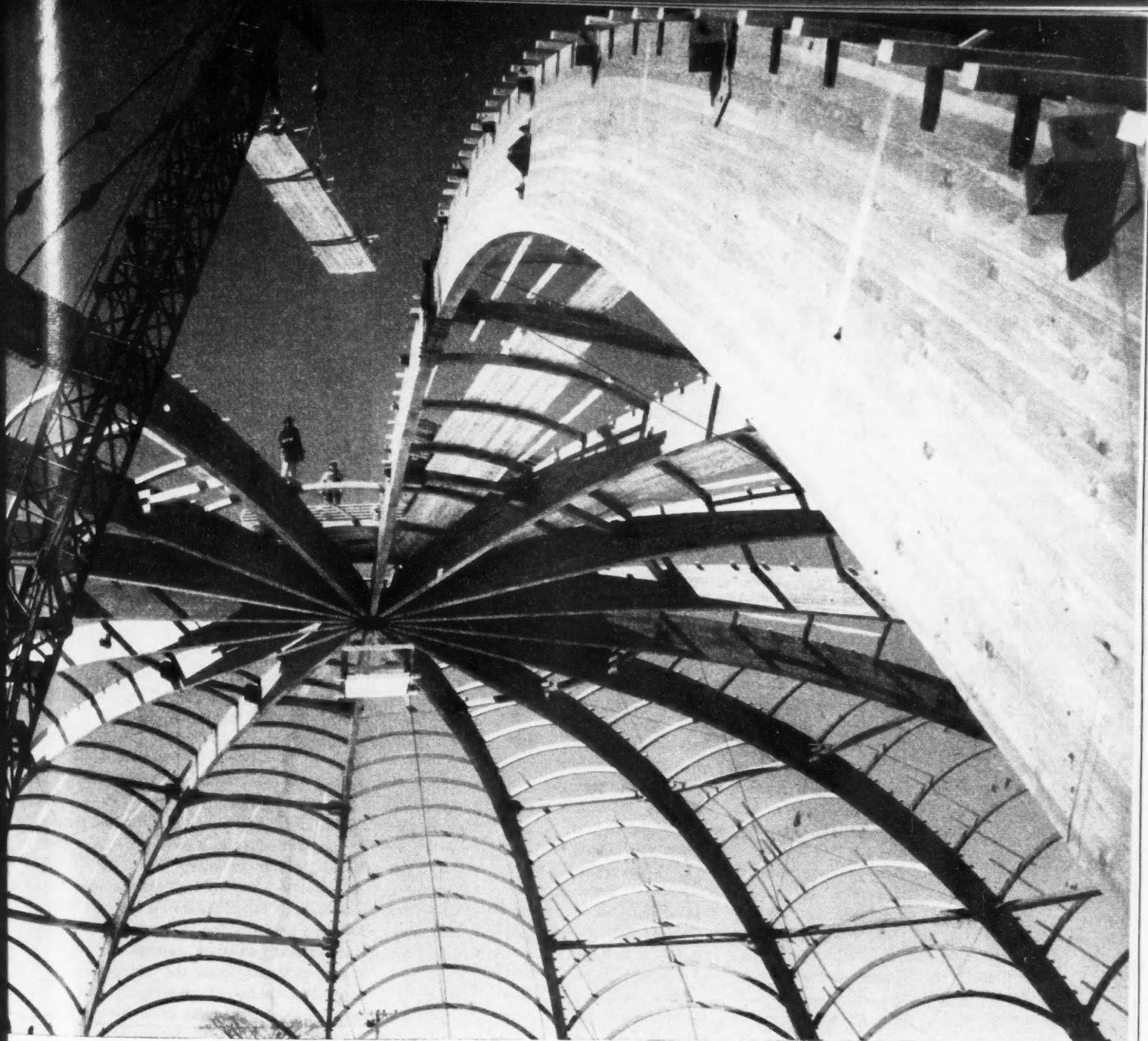
If chairs are not available, you will be expected to sit on mats on the floor, cross-legged in Samoan fashion, or with legs tucked underneath. It is a breach of etiquette to sit with legs outstretched.

If you are to be particularly honored at a feast, a kava ceremony will be performed, during which you will be offered a dish of mush-like liquid ground from the roots of pepper plants. This looks like thick dish water and could very well taste like it. But this is the only ordeal that the polite visitor to a Samoan home is likely to undergo.

Feasts usually take place out of doors. Guests sit on ground mats and eat off huge leaves instead of plates, using the fingers. A great favorite is roast suckling pig. Other dishes include chicken, breadfruit, taro, bananas, palusami (a coconut cream concoction wrapped in taro leaves), fish and crab meat.

Singing and dancing follows. Samoan dancing is quite unlike the Hawaiian hula, in which the hands tell the story, and the stomach-trembling Tahitian dances. In Samoa, dancers leap about, slapping hands, legs and chests.

After sunset no one is in a hurry to go home. Often dawn has arrived before the feast is over. At such times the singing and dancing will stop and the revellers will stand quietly in groups, facing the east. They pause to marvel again as a new sun rises blazing from the sea.



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## London Letter

by Beverley Nichols

### Heartbreak House on Fleet Street

LONDON NEWS is Fleet Street news this month, and sorry news it is. The Street of Adventure is littered with dead and dying newspapers, cluttering the gutters like Autumn leaves.

It began with the decease of the *Empire News*. Although it still commanded a circulation of over a million it was obliged to "merge" with the brash, Hogarthian *News of the World*, and "merging", in such circumstances, is equivalent to giving up the ghost. But more dramatic débâcles were in store.

For some years there have been rumors that all was not well with the *News Chronicle*. (Even in that title there is a sinister ring for Fleet Street men; it is a reminder that the old *Daily Chronicle* was itself swallowed up by the *Daily News*.) Five years ago, the *News Chronicle* gave itself a half million shot in the arm by acquiring yet another newspaper—the *Daily Dispatch*.

But still the downward trend continued, till suddenly, on the evening of October 17, the paper ceased to exist, one century after the day of its foundation, with Charles Dickens as its first editor. And with it died its evening stablemate, the seventy year old *Star*, whose first contributors included such giants as Bernard Shaw.

In spite of the aforesaid rumors, the suddenness of the stoppage came as a brutal shock to the 3,700 members of the staff. In the news room, reporters were busily scribbling away their Stop-Press stories. Upstairs the type-setters were printing the leaders for the following morning. In the street outside, the familiar scarlet vans were revving up the engines to be ready to whirl the final editions to the West End.

And then suddenly the curtain fell, and it was all over. The ghost of Dickens must indeed have turned in his grave. For though the *News Chronicle* at a purchase price of £1,500,000 is to be absorbed, by the *Daily Mail*, and *The Star* by the *Evening News*, there must inevitably be many casualties, many heartbreaks, and many cases of bitter financial hardship.

Needless to say, there was an immediate scramble over the corpses of the two papers, as rival press lords descended on them in the hope of tearing off juicy

hunks of circulation. Foremost in the field was Lord Beaverbrook, with a front page message "To All who Bought the *News Chronicle*", explaining why they should now transfer their loyalties to the *Daily Express*.

One may be pardoned for doubting whether their exhortations will have much effect. In almost every possible respect the policy of the *News* was diametrically opposed to that of the *Express*. To take one example alone, its economics were still colored by the early days when it had been the foremost champion of Free Trade versus Tariff Reform. How could readers nursed on such a principle be suddenly expected to do violence to their convictions by adopting the Beaverbrook version of Imperial Preference?

Close on the heels of Beaverbrook came the managing director of the *Daily Herald*, making an angry speech on television, proclaiming that the world was profoundly shocked by the departure of so staunch a radical as the *News Chronicle*, but offering the consoling thought that the *Daily Herald* could offer the mourning readers a new spiritual home that was not so dissimilar from the old one.

Again, one wonders. The modern *Daily Herald* bears little resemblance to the fiery sheet of thirty years ago; and even though it is still, at least semi-officially, the organ of the Labour Party, this is not necessarily



Lady Hulton: A finger in the pie?

a recommendation to the Liberal readers of the *News*. In many respects the millions who voted Liberal have more in common with the conservatives than with the Labour party. So where are the forlorn readers of the departed paper to turn?

There seems only one really suitable haven—the *Manchester Guardian*, which still distils the nearest approach to the old brand of Liberal milk. But the solid pages of the *Guardian* may well seem to them ultra-sober and forbidding, for the *News*, at any rate in its make-up, was as bright and snappy as any of its rivals. To change from the *News* to the *Guardian* would be like changing from the Royal Automobile Club to the Athenaeum.

Whatever happens, this is a body blow for the Liberal party, at a crucial moment in its career, when it seemed that at last it had emerged from the wilderness and had some chance of playing a vital part as a third power in the state. No political movement can cohere, let alone progress, without a mouthpiece in the press . . . even a tiny hysterical sheet like the *Daily Worker* is vital to the continued existence of the Communist Party.

But the Liberals are left with nothing—not even a 20,000 weekly. It is a strange and lamentable vacuum, and one can only hope—though with little reason for doing so—that some highly principled millionaire may be found to fill it.

Confronted by the deaths of so many distinguished contemporaries, it is refreshing to be able to chronicle the birth of a new arrival, even if, for the moment, it may not command its million readership . . . the *Weekly Post*, sponsored by Sir Edward Hulton. Teddy Hulton, a rubicund millionaire in his middle fifties, might be described as the odd man out in Fleet Street. He comes of a distinguished newspaper family and some of his ventures, such as *Picture Post*, have been marked by a hectic brilliance which even Northcliffe seldom equalled. But the



Beaverbrook: Tearing off juicy hunks.

ance has been spasmodic, and a year or two ago, *Picture Post* folded.

The new venture looks as though it were built on a more solid foundation. Described as an "independent conservative journal" it contains 48 pages of reading matter which really is independent, star-studded with such names as John Betjeman, Roy Harrod, Ivor Brown and Peter Quennell. It has much of the sparkle of *The New Statesman* and rather more than the authority of *The Spectator*. And in its opening manifesto, it asks a question which neither of these journals, perhaps, has shown much eagerness to answer. "Above all", it queries, "what, in modern Britain, are the demands of the Spirit?"

One cannot think of Teddy Hulton without his wife — nee Princess Nika Yourievitch — who, I hope and believe, may have at least one of her elegant fingers in this new journalistic pie. Lady Hulton, beyond any question, is London's hostess with the mostest. She has the mostest chic . . . she could beat the models of Dior at their own game. She has the mostest . . . the expression 'sex-appeal' is too vulgar. Let us say allure, with a distracting figure and the features of a cherubic gamin.

She may not have the mostest money but she has more than enough to make her exquisite house at Hyde Park Gate a treasure trove of modern art. At a time when Paul Klee was a joke in English society she doggedly bought Paul Klee. She is one of the few women whose taste is always a little ahead of her time. One of the directors of Sotheby's told me that Nika Hulton would be worth £10,000 a year of any art dealer's money.

With all this glittering array of talents and attractions she remains a completely devoted wife; when you see the Hultons together you feel that they have either just returned from a honeymoon or are about to embark on one. And although her parties attract the most brilliant collection of figures in contemporary London, they have always a certain "homey" quality.

I remember one, in particular, where—expecting to be diverted by a string quartet after dinner—we were shepherded into a salon to hear Teddy sing music hall songs at an ancient piano, with enormous gusto and a total disregard of pitch or tempo. All the guests joined in, and even Lady Diana Cooper framed her lovely lips to celebrate *The Man Who Broke the Bank at Monte Carlo* and *She Was Only a Bird in a Gilded Cage*.

Every Fleet Street man will wish Edward Hulton luck. But Fleet Street needs more than luck. Never, in its long history, has there been such a holocaust as we have witnessed in the past few months. And even some of the giants who are still standing are looking a little groggy about the knees.



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## Letter from Australia

by Harry E. Mercer

### Industry Feels the Yankee Bite

SINCE THE WAR Federal and State Governments in Australia have welcomed, even begged for, foreign capital investment. Their call for overseas money has so far been answered to the tune of more than \$2 billion.

As a result of this and local investment, Australia, with a gross national product of \$14 billion, is now the Southern Hemisphere's greatest industrial nation. But government leaders and citizens who concern themselves with such things increasingly express alarm at the turn this trend is taking.

What has been going on in the foreign investment field was brought into sharp focus last June when General Motors-Holden's announced a net profit of \$32 million.

Nobody resented a big investor making a big profit. Rather, Australians were rankled by the newspaper disclosure of how GM had been going about its business here.

It is an interesting story, a pointer to the future that frightens some Australians, who up to the time of the profits disclosure were mostly unfamiliar with what is known in Canada as American economic imperialism.

General Motors as long ago as the 1920's set up a branch in Australia to distribute products which had been manufactured overseas. A few years later it joined in with a local firm, Holdens, and began making automobile bodies.

Holdens was hit hard during the depression and GM took the firm over in return for preference shares in a new composite company—General Motors-Holden's.

When World War II ended, the Chifley Labor Government wanted an entirely Australian-built automobile as part of a general scheme to expand secondary industry. GM offered to help out.

Today, their Holden models account for about 60 per cent of the considerable local market (Australia has almost three million car owners now). Since 1947 GM has sent about \$70 million to the United States in the form of dividends and has

built up assets in Australia worth more than \$220 million.

Now here's the rub: In the beginning GM declined to provide the capital needed to bring out an Australian-built automobile. The Commonwealth Bank therefore staked the company for \$6 million. Expansion since then has been financed almost entirely out of local profits.

A short time back, as if to rub salt into the wound, GM bought up all Australian-held shares. Both ownership and profit are now altogether in American hands.

Commenting on the GM story, Senator R. J. Kennelly, Deputy Leader of the Senate Opposition, said:

"General Motors-Holden's contribution has not been money, but technical know-how, managerial skill, and licensing and patent rights."

"But, to use a colloquialism, this know-how has cost the Australian public plenty."

"Australia will pay very dearly in the future for the Menzies Government's policy of indiscriminate and over-enthusiastic encouragement to any and every overseas interest."

The Labor Party here is as old as Australian politics. It first came to power 20 years before its counterpart in Britain did. But a glance at local political history shows that Australian voters usually prefer Labor Governments only when the Conservatives (Liberals) fail (e.g. the depression and World War II).

When a general prosperity prevails, as it most certainly does today, Labor politicians almost invariably languish on the opposition benches. Rarely have they been as inconspicuous in Federal politics as they now are.

During such periods, naturally, they dwell with tenacity on Liberal Party mistakes. The overseas investment policy of the Government is at present the Labor Party's leading anti-Menzies platform.

They emphasize its dangers constantly. Often they point to Canada and say, "Don't let that happen to us!"

The facts are these: With few exceptions, overseas investors have been allowed to set up shop in Australia under virtu-

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new  
delight  
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drink?



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ally their own terms. Several of the most progressive foreign firms have few or no Australian shareholders. Others, like GM, bring in little capital and use local profits to finance expansion. In a country where 70,000 jobs remain unfilled, it doesn't impress when these investors claim they are creating vast employment opportunities.

Australia's dependence on foreign capital, although growing rapidly, is still far lower than Canada's. For the past four years Canada has been drawing on foreign resources for almost 35 per cent of its net capital formation. By comparison, Australia has been drawing 10 per cent.

Foreign control over Canadian business has grown far more than it has in Australia. On a per capita basis, the foreign-owned stake in Australian subsidiaries increased since 1947 by about \$170 for each Australian. The comparable figure for Canadians was \$460.

The proportion of Canadian manufacturing, mining and petroleum industries controlled by U.S. companies now exceeds 50 per cent.

Since July 1947 about 62 per cent of Australia's investments from overseas came from Britain, about 28 per cent from the United States. This year the American stake is expected to comprise 40 per cent of the total, the British about 50 per cent.

In 1957 some 772 companies in Australia had ties with American companies. This figure will probably jump another hundred by the end of 1960.

In line with this trend, the cost of servicing foreign investment in Australia increases steadily. Over the past decade it has averaged 4.5 per cent of total foreign exports. During the last five years it comprised almost six per cent, or about \$500 million.

Canada's cost of servicing foreign investments, incidentally, reached almost that amount last financial year.

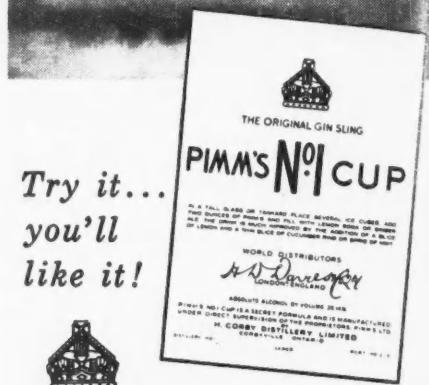
Menzies is not very much given to explaining his motives in detail as he harangues members of the Opposition. Shouted at in Parliament recently for selling Australia out to the Americans, he did however reply: "It is the lot of Australia to accept outside investment."

He said earlier, in one of his more communicative moods:

"If I were a young man, with all the world in front of me, I would want to be in Australia at the beginning of what will be its most wonderful period of development."

Sell-out or not, one thing is certain: Australia, in view of stability of government and fantastic resources, may offer a higher return for investment in the very near future than almost any other country on earth.

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table and  
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cooking



6P

SATURDAY NIGHT

## Books



Greta Garbo vs. Calvin Coolidge.

"ABOVE ALL, *Vanity Fair* was ahead of its time in its search for new talent," writes Cleveland Amory, co-editor with Frederic Bradlee, of the new *Vanity Fair* anthology. "The list of American and foreign discoveries is unmatched by any other magazine in a similar period and reads in retrospect like a roll-call of future recognition."

The roll-call that follows hardly supports this claim. Most of the famous people cited in these glossy pages as "discoveries" had already been discovered, in magazines ranging all the way from *The Saturday Evening Post* to *The Dial*, some time before they appeared in *Vanity Fair*. Generally speaking, *Vanity Fair* was a magazine for the arrived rather than the merely ambitious, and the candidates for its celebrated Hall of Fame had to have a pretty firm foot in the door before they were finally admitted to the Hall.

Both Condé Nast, who founded *Vanity Fair* and Frank Crowninshield who edited it, had a very clear idea of the function of their magazine. They wanted, simply, a periodical that "would cover the things people talked about at parties." The editorial staff hadn't, primarily at least, an eye for undiscovered talent. But they had a wonderful ear for names, as well as a lively gift for supplying a smattering of information, for the benefit of the fashionable about what the talented were up to.

This is in the Twenties and Thirties, it was possible to "dine out" for a whole season on a year's subscription to *Vanity Fair*. You knew that Pablo Picasso, whatever his eccentricities, was a superlative draftsman, and Raoul Dufy the world's most sophisticated modern artist. You knew who were the world's ten best writers and, by a special act of grace, you were allowed to admit that some of the greatest writers were also some of

by Mary Lowrey Ross

## Handsome Is as Handsome Is

the dullest. You were aware of negro music and art, and loved them. You had been briefed on the three famous Steins—(There was Gert, there was Ep, there was Ein)—and you had a special affection for the first of the trio.

"The reader who takes a delirious joy in the poem we publish here, who constantly stops his reading to ask 'Isn't it great? Isn't it wonderful?' etc., is not a Philistine. On the contrary, the individual male or female, who begins foaming at the mouth at the second page, who begins shrieking 'This is insanity,' at the third or forth . . . is one."

Thus the editor of *Vanity Fair* as a preface to Gertrude Stein's "Have They Attacked Mary. He Giggled." After such a directive as this, a party-goer would have presumably cut his throat rather than admit that Miss Stein filled him with anything less than delirious joy.

It was an odd sort of parlor game, with the editors of the magazine never more than a jump behind the liveliest talent available, the subscribers right on the heels of the editors, and the Philistines happily unaware that they were being swept under the rug.

During these years *Vanity Fair* introduced its readers to such famous figures as Andre Gide, Jean Cocteau, Aldous Huxley, Max Beerbohm, T. S. Eliot, Colette, and, of course, Gertrude Stein. The introductions were necessarily rather brief and scattered for the editors had no idea of turning *Vanity Fair* into a literary periodical.

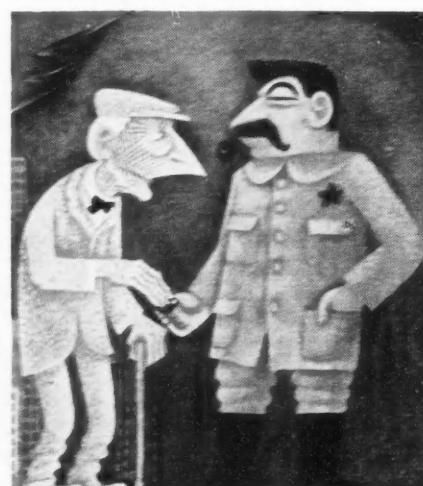
On the whole, they favored light-hearted essays and literary appraisals that could easily be translated into conversation pieces — Clare Boothe's discussion of Mayor Jimmy Walker, Max Beerbohm's vengeful little essay on Andrew Lang, Dorothy Parker's tribute to Alexander Woollcott, Hugh Walpole's tribute to Somerset Maugham, which Author Maugham was later to repay with his ruthless study of a literary man (Hugh Walpole?) in *Cakes and Ale*. Fine spirited source-material, all of this, for people

who wanted something to talk about at parties.

While nearly everything in this anthology is still remarkably readable, there is very little, beyond a group of early T. S. Eliot poems, that is actually memorable. The pictures are its greatest charm, and these are wonderful. The subjects are distinguished, elegant, and brilliantly posed by the best portrait photographers of their time, or perhaps any other — Steichen, Bruehl, Beaton, etc. They are the acknowledged successes in every field: the worldlings, the artists and writers, the movie stars, the champions in ring and sports; and all of them are here preserved in a form that is part transfiguration, part the rarest sort of embalming.

They belong to a world that faded out almost completely with World War II, but they haven't, like still older generations, any place in a plush-covered parlor album. They belong exactly in the handsome format in which they lived, at any rate for their admirers. That, in this anthology, is where they are.

**Vanity Fair**, an anthology edited by Cleveland Amory and Frederic Bradlee—Macmillan—\$11.00.



John D. Rockefeller vs. Stalin.

# BOOKS

## the thoughtful Christmas gift

### MIRROR OF CANADA

The BIG gift book of the year, this de luxe volume contains a magnificent collection of photographs that portray Canada to-day from coast to coast. It has been compiled by the Royal Canadian Geographical Society and includes 19 pages of beautiful, full-colour photographs. \$8.50

### A NUMBER OF THINGS

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Miss Tracy uses to the full her Irish humour, her acid wit and her abiding dislike for sham in this lively novel of a young man who — much to the distress of his conservative family — writes a book that wins him some notoriety. \$3.00

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Lou Turofsky  
Comments by Ted Reeve

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### LOOK BACK AND LAUGH

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### STEREO AND HI-FI AS A PASTIME

by Douglas Gardner

Those who are exploring the fascinations of stereo and hi-fi sound reproduction will find this expert treatise packed with information and interest. Illustrated \$3.25

Now At Your Booksellers'

### No Color Like Red

THE GREAT AGE of fox-hunting in England was the nineteenth century under such notable MFH as Meynell and Osbaldestone. Before then it had been a farmer's sport, a method of passing the time as well as ridding the land of vermin. But prosperity under the protection of the Corn Laws made it a rich man's pleasure by 1820, with rigid conventions about dress and turnout.

The writings of Nimrod (Charles James Aupperley) and Surtees (whose novels are now grossly neglected though they equal the invention of Dickens and the gift for country of Trollope) recall this golden age which is still imitated in England despite the jets overhead and the new motor roads across the best pastures of the shires.

E. W. Bovill sets out the growth of the hunt as an idea and as a fact; he quotes Nimrod and Surtees lavishly and gives a good historical account of the improvement through selective breeding of hounds as well as of horses. Scholarly enough to be reckoned as good social history, his book is deft enough to appeal to all who have ever read the Victorian novel. For the prejudiced it may go so far as to give the lie to Oscar Wilde's unkind definition of Victorian hunting: "The unspeakable in full pursuit of the uneatable."

A.E.

**The England of Nimrod And Surtees 1815-1854**, by E. W. Bovill—*Oxford University Press*—\$5.

### Algeria On the Boil

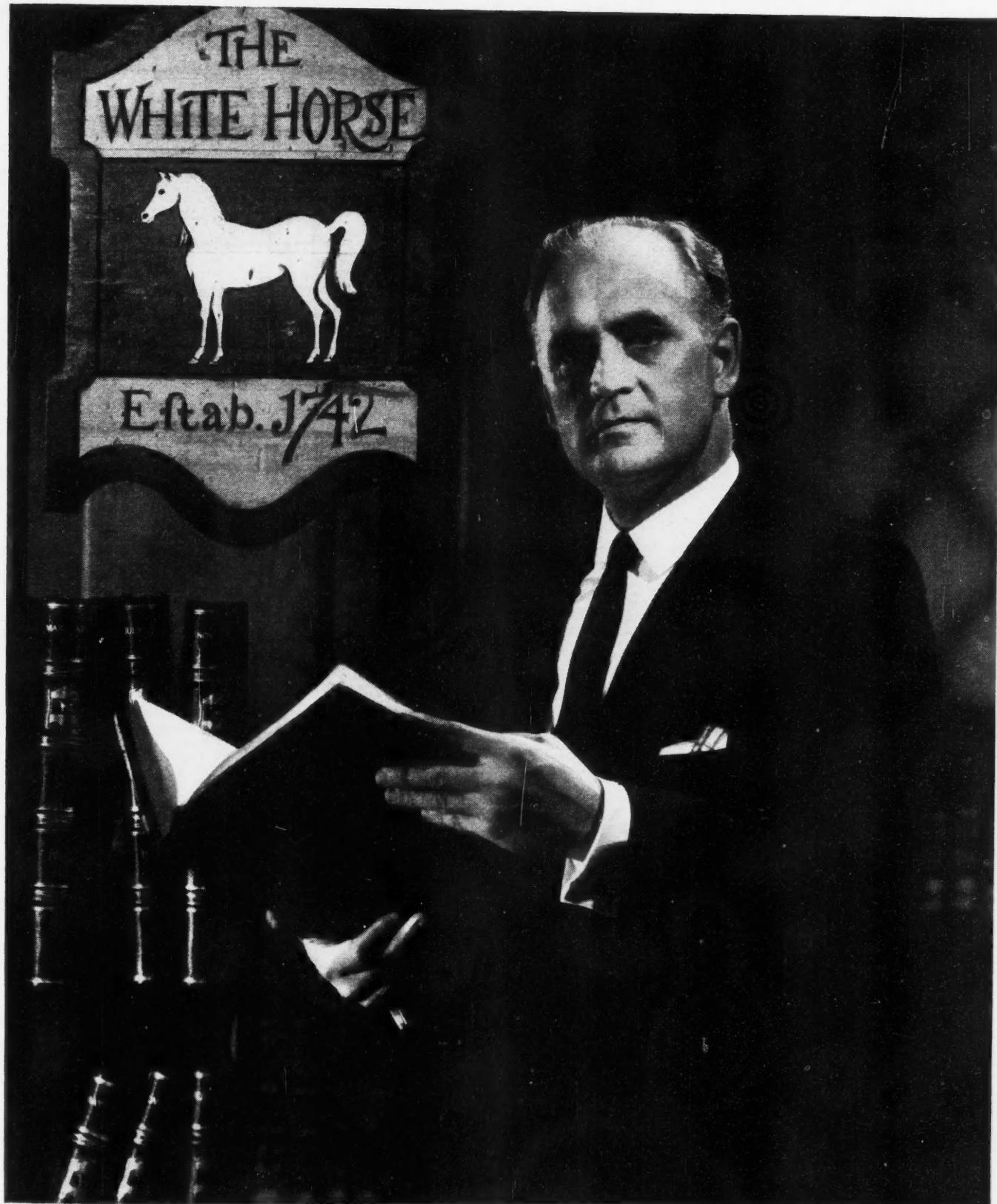
THE ALGERIAN WAR, apparently only terminable by an act of God or de Gaulle, is an obvious invitation for the novelist. Fought with unremitting savagery against the stark African background, it was the final straw which broke the Fourth Republic and it might yet outlast the Fifth. Norman Lewis makes full use of its complicated tensions and vivid background in his powerful novel *Darkness Visible*, which concerns an oil company, the success of whose operations is threatened by the extension of the war into its territories.

The underlying theme of this novel, and what is clearly Mr. Lewis' main concern, is the clash of civilizations, so vividly exemplified by the war. The French colons, Moslem Arabs, Berber tribesmen and expatriate oilmen are not considered merely as the ingredients of a good story, but as characteristic of the environments which shaped them, and playing their almost inevitable parts in the enduring tragedy of Algeria.

R.T.C.W.

**Darkness Visible**, by Norman Lewis—*Clarke, Irwin*—\$3.25.

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## Chess

by D. M. LeDain

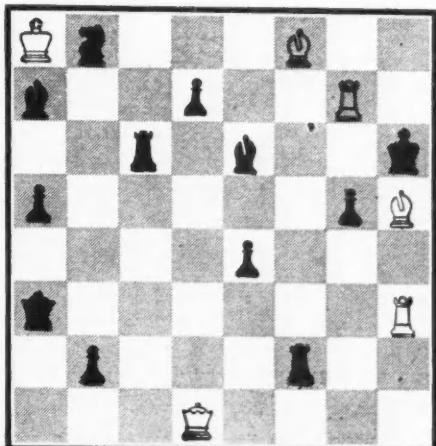
AFTER WINNING the world championship from Capablanca in 1927, Dr. Alekhine was asked whether adroitness at mathematics had played a part in his chess success. "None at all", replied Alekhine. "Dr. Emmanuel Lasker is the only one who, so far as I know, has any. I haven't myself. Or if anything, very mediocre ability in mathematics. I don't think it counts in chess. What does? Well, fancy is one, and a flair for abstract reasoning is another".

White: Dr. A. Alekhine, Black: Asgierssen (Iceland, 1931). 1.P-K4, P-K3; 2.P-Q4, P-Q4; 3.Kt-QB3, Kt-KB3; 4.B-Kt5, B-K2; 5.BxKt, BxB; 6.Kt-B3, Castles; 7.B-Q3, R-K1; 8.P-K5, B-K2; 9. P-KR4, P-QB4; 10.BxPch!, KxB; 11. Kt-Kt5ch, BxKt; 12.PxBch, K-Kt1; 13. Q-R5, K-B1; 14. Castles (Q), P-R3; 15. P-Kt6!, K-K2; 16. KtPxP, R-B1; 17.PxP, Kt-Q2; 18. RxP!!, Q-R4 (if PxR; 19. KtxPch, K-K3; 20.Q-Kt6ch etc.); 19.

Q-Kt5ch, KxP; 20.R-R7, R-KKt1; 21. R-Q4, QxBP; 22.RxKtch!, BxR; 23.Kt-K4, Q-Kt5; 24.Kt-Q6ch, K-B1; 25.Q-B6ch!, PxQ; 26.R-B7 mate (*The Arabian Mate*).

**Solution of Problem No. 257 (Gamage),  
Key, 1.Q-B3.**

**Problem No. 258**, by E. G. Schuller.  
White mates in two moves. (6 + 12)



## Puzzler

by J. A. H. Hunter

"**QUITE A BUILDING,**" I commented, picking up one of the photos he had brought back from Kalota. "Did you go inside?"

"Had to!" Bill chuckled. "It dates from away back, and every tourist has to see the two famous rooms. Just large, lofty halls of normal proportions, quite bare and windowless inside like two empty boxes. But they're said to prove the ancient Kalotans were mathematicians of no mean order."

"How so?" This was interesting.

"Well, it seems the distance from any bottom corner to the diagonally opposite top corner is exactly ninety-one kells in each room. Also, all six dimensions are exact numbers of kells and all are different, although the total surface areas in the two rooms would be equal if there weren't any doors."

A kell, of course, is something like our foot. But it took me a while to figure out those dimensions, even in kells. Can you do so? (140)

*Answer on Page 52.*

## Filling the Gap

by Louis and Dorothy Crerar

## ACROSS

1 Equipment for mountaineers? They can put their car in it, too. (4, 4)

5 Mother, no doubt, found it repaid changing. (6)

10 Even more unpleasant than a headless 22. (5)

11 Supper? I am upset to think that one in this state may go without. (9)

12 A bird to pot at? (5)

13 She had to give up her garden, but she's in it, nevertheless. (3)

14 Their owners usually walk in pairs. (5)

16 They say it's women who make it, where men are involved. (7)

18 Deuces wild about an unknown quantity. (7)

20 These sports may dampen everything but the participant's enthusiasm. (7)

22 Great cash, as Spooner might have said. (7)

24, 32. A stable fruit? (5, 8)

26, 24. Does Neptune jockey it along? (3, 5)

27 You won't feel so, after a close shave. (5)

29 One can make light of this when things look blackest. (5-4)

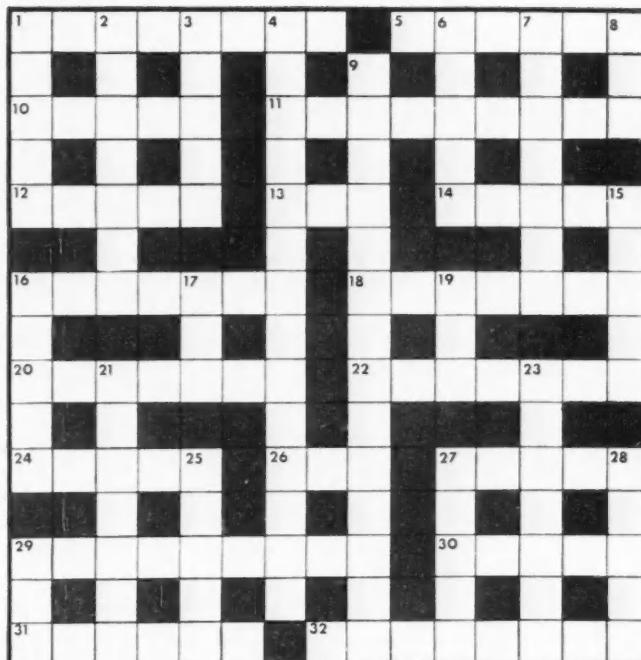
30 It takes a saint with nothing on to start icicles forming. (5)

31 Stops to get rested. (6)

32 See 24.

DOWN

- 1 They could be sharp and also flat. (5)
- 2 How one acts after a few quick rounds. (7)
- 3 But how can one eat what has already been swallowed? (5)
- 4 Training vessel? (14)
- 5 Aside from these you may have others. (5)
- 6 Their inhabitants are not at liberty to drink at their bars. (7)
- 7 It precedes my card game. (3)
- 8 She's certainly a head-liner. (5, 9)
- 15 Sidewalk? (5)
- 16 It seems that to inform bears fruit. (5)
- 17 To 3, one must over this. (3)
- 19 This lass could do this to you without snubbing you. (3)
- 21 The post you won't get lying down on the job. (7)
- 23 There ain't no such animal, though it's held in royal arms. (7)
- 25 Said the spider to the fly? A parlor game, no doubt. (5)
- 27 Change your 14, and singularly this, occasionally! (5)
- 28 But the royal one is not the 9. (5)
- 29 Dress up? Yes! (3)



### Solution to last puzzle

ACROSS	25. 2. Lost in thought	7 Tripoli
1, 32, 1A, 18.	26 See 2	8 See 15
Out of sight, out of mind	28 Brummel	11 Amnesia
4 See 15	29 Cherish	14 Resists
9 Floater	31 Treasures	15, 28, 8, 4A.
10 Sophist	32 See IA	Gone but not forgotten
11 Argo		18 See IA and 12
12, 18. Bear in mind	DOWN.	20 Recluse
13 Oar	1 Off	21 Hostler
16 Nations	2, 26. Thought- less	22 Princes
17 Memoirs	3 Fits	23 Evening
19 Screech	4 Forgets	25 Lumps
22 Ponders	5 Rostrum	27 Keys
24 Arc	6 Orpen	28 See 15
		30 Hot (507)



"ROYAL" MANAGER (left) TALKS SHOP WITH WESTERN TUGBOAT OWNER

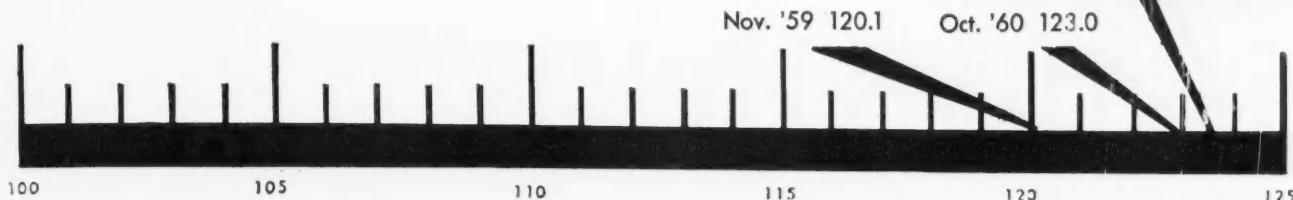
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Nov. '60 123.5



Indicator Table	Unit	Latest Month	Previous Month	Year Ago
Index of Industrial Production (Seasonally Adjusted)	► 1949 = 100	165.4	164.4	164.2
Index of Manufacturing Production (Seasonally Adjusted)	► 1949 = 100	146.8	145.9	148.1
Retail Trade	► \$ millions	1,312	1,350	1,305
Total Labor Income (Seasonally Adjusted)	► \$ millions	1,535	1,531	1,476
Consumer Price Index	► 1949 = 100	129.4	128.4	128.0
Wholesale Price Index of Industrial Raw Material	► 1935-39 = 100	240.2	241.0	242.0
Manufacturer's Inventories, Held and Owned	► \$ millions	4,439	4,443	4,371
New Orders in Manufacturing	► \$ millions	1,914	1,888	1,981
Steel Ingots Production	► '000 tons	442	432	492
Cheques Cashed, 52 Centres	► \$ millions	22,834	22,508	19,757
Total Construction Awards (Hugh C. MacLean Building Reports)	► \$ millions	227	289	291
Hours Worked in Manufacturing	► per week	40.8	40.4	40.8
Index of Common Stock Prices	► 1936-39 = 100	241.7	248.9	252.5
Imports	► \$ millions	430.1	469.3	448.6
Exports	► \$ millions	447.8	480.4	452.7

Most latest figures are preliminary ones.

ONE OF THE BEST aspects of our economy these days—and there are not too many good ones—is our external trade. In July, August and September we sold more (in dollars) outside Canada than we brought into the country. Generally, however, the economy still swings between rise and recession—with the odds favoring more recession.

Our external trade picture is interesting in many ways. For the first nine months of the year our dollar value of exports was the highest in the postwar period. The total was 8.2 per cent over the value shipped in the sister period of 1959. The 1960 figure was slightly under \$4 billion. Imports during the same months were a shade over \$4.1 billion, almost neck and neck with a year ago.

Thus we still have a surplus of imports this year but this amounts to \$120 million rather than the \$415 million we had at the same time in 1959. Growth in exports in the third quarter will affect the Gross National Product for that period for the better. (GNP dropped in the second

quarter.) This growth will tend to offset industrial production which was down from quarter number two, though a small upward swing did start in August.

In the current year our exports to the U.S. have hardly increased from a year ago. Imports during the same time were equal to those of the previous year for the same months. Exports to the UK rose almost 20 per cent while those to other Commonwealth lands increased somewhat more than that. Shipments made to all other countries jumped by 23.5 per cent. (All of this is comparing like periods of this year and 1959.) Imports from the UK were up just a nominal two per cent while those from other Commonwealth lands were up some 20 per cent. Imports from all other countries did not change much. With these areas, as well as the Commonwealth, we have had a fair export surplus so far this year. Add in trade with the U.S. and we move into the red.

Our trading pattern has changed from a year ago. In imports the U.S. share remains at 67.8 per cent but in exports

she dropped to 57.6 per cent from 62.3 per cent. The UK supplied a fraction more of our imports this year (10.7 per cent compared to 10.6 per cent) but her purchases from us went from 15.3 per cent of our exports last year to 16.9 per cent this year.

Although sales outside Canada have gone up, retail trade in Canadian stores has been marking time most of the year. There is no indication that this is about to change. Of course, this is simply a reflection of the uncertain economy. Unless this starts to show improvement there is going to be a continued reluctance on the part of consumers to purchase big ticket items, in particular. This isn't the happiest outlook for merchants facing Christmas. If employment goes up, there'll be more dollars spent in December; it's as elementary as that.

—by Maurice Hecht

*(Saturday Night's Business Index is a compilation of statistical factors bearing, generally, on Canada's gross national product. It is designed to reflect pace of economic activity. The base 100 is drawn from 1955 data.)*

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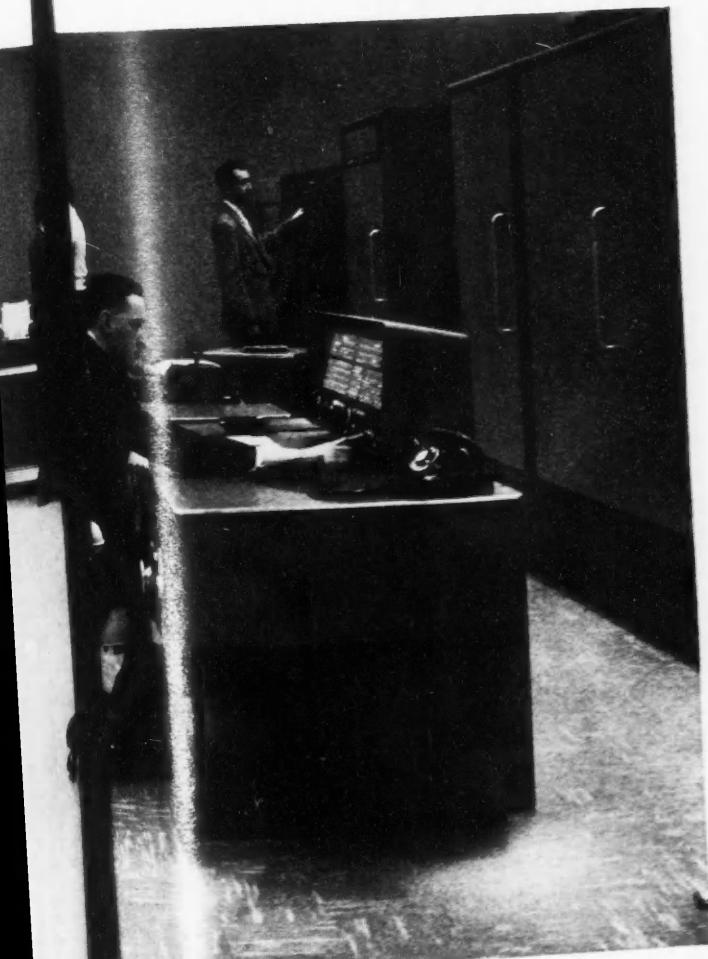
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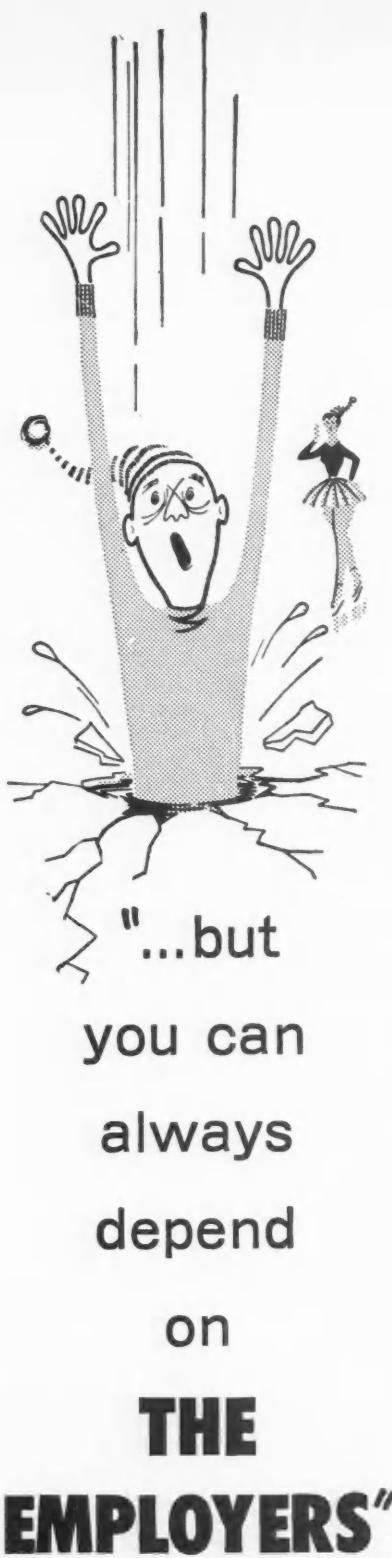
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## Gold & Dross

### Walkers

*How do you rate Walker-Goodeham & Worts?—M.J., Montreal.*

An unusual combination of speculative-investment attractions is available in Walker-Goodeham & Worts (Walkers). Indicated yield on the basis of \$1.40 regular dividend plus 35 cents extra is 5% at recent prices. Record sales resulted in the second highest earnings in the company's history for the year ended August 31, 1960—\$2.91 a share versus \$2.76 the previous year.

The company is a merger of the old distilling firms of Hiram Walker of Walkerville, Ont. and Goodeham & Worts of Toronto, is the fourth largest North American unit in its industry and the third largest net earner. Ratio of return on sales is 5.8%, substantially better than competitors.

Management has refused to imitate three other North American distillers which branched off into diversified operations in petroleum and chemicals. It has preferred to concentrate on distilling, and results reflect in its preferential rating in investment markets.

Value of the equity has since 1951 increased by 90% while dividends are up 75%. Concurrently, only one other major distilling stock has been able to maintain market price and dividends.

Walkers sales have tended to expand with the economy, to hold up well when some other industries are declining. Past sales expansion is regarded as a criterion for the future and is reflected in a decision to increase both manufacturing and storage capacities.

### Directors' Duties

*Is it illegal for directors of a company to withhold from shareholders development news which would put the stock up, and buy the cheap stock on the market with a profit to themselves?—B.A., Hamilton.*

Directors of a company are permitted to buy and sell stock.

There is, however, no doubt of them owing other shareholders a duty as trustees. Where directors buy stock on the basis of information known only to them, and where a shareholder sold his holding before the information was released, he would have an extremely good case in law for recovering from the offend-

ing directors the difference between his realized price and what the stock advanced to as a result of the information release. This does not solve the practical problem of proof in a court of law.

It is believed that mining assays have sometimes been held for release at the most favorable time from the standpoint of promoters conducting a stock market operation. This would probably not occur if reporting of dates of assays were mandatory.

### Howey and Geco

*If Geco Mines stock is so good, why did Howey sell out its holding?—M.H., Winnipeg.*

The ostensible reason for Cons. Howey liquidating 300,000 of its 480,000-share holding of Geco was to reduce the 85% of its assets concentrated in the stock of one company. There may, however, have been other reasons. Howey directors may have been disappointed in the size of Geco's initial dividend—25 cents. In any event they felt their holding should be represented on the Geco directorate but the majority shares of Geco, held by Mining Corp.-Noranda, thought otherwise.

### Merger and Taxes

*As a beginner in finance I am puzzled by the prospective merger of East Sullivan with Quebec Copper. Since East Sullivan has many more assets than Quebec Copper and does not seem to have much to gain from the union, it looks like a case of the tail wagging the dog. What is the purpose of the merger?—D.P., Halifax.*

The purpose of the merger is to let East Sullivan take advantage of Quebec Copper's tax loss. Quebec Copper during its unfortunate producing career piled up \$3.2 million in possible tax write-offs. East Sullivan proposes to capitalize this situation by subscribing approximately \$10 million for 4.25 million shares of Quebec Copper, which is changing its name to Sullico. Sullico will purchase the East Sullivan mine along with certain other assets for \$10.2 million. East Sullivan will own 97.49% of the issued shares of Sullico.

From the foregoing it is apparent that



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By Order of the Board,  
W. E. McLAUGHLIN,  
General Manager.  
Montreal, October 18, 1960.

the profits of the East Sullivan mine will not be subject to income tax until the \$3.2 million write-off vested in Quebec Copper, along with another \$400,000 write off, has been absorbed. It is truly noted that in the modern order a good tax angle may be worth as much to a mining company as the discovery of a sizeable ore deposit.

### Vanadium Alloys

*Do you recommend Vanadium Alloys Steel Canada?—R.M.B., Winnipeg.*

Vanadium Alloys should be approached as a cyclical industry subject to extremes of supply and demand. This is evident in results for the fiscal year ended June 30, 1960, when net profit was \$47,097 versus a net loss of \$47,663 in the previous year. This is an effective difference of almost \$95,000 and reflects an enlarged participation in fabricating high-temperature alloy steels for the aircraft industry. Working capital at the end of the fiscal year was \$650,000 and should be viewed in the light of funded debt of \$1 million.

Net financial position considered in conjunction with earnings of 11 cents a share in 1959-60 on the 430,200 issued shares does not support a high market valuation for the shares.

### Bell Telephone

*How do you explain the standout market performance of Bell Telephone in comparison with other leading companies?—C.H., Toronto.*

Although Bell Telephone was regarded for many years by a considerable section of the investment community as mainly a defensive situation, it has been one of the few issues to show appreciation in this year's adverse securities markets. Its latest surge of strength is associated with the hope of early further equity financing. Shareholders have in the past enjoyed frequent subscription rights. These could be exercised to increase holdings, or sold and the proceeds treated as a tax-free dividend.

To finance expansion and improvement in telephone services, the company has since 1945 raised \$600 million in share capital and \$530 million through sales of bonds and debentures. The effect of debt financing in increasing the leverage of the common has not been lost on shareholders.

In the past 15 years the number of shareholders has risen from 25,000 to 170,000. More than 95% of the shareholders are Canadian residents, holding 92% of the shares — 19.4 million out of 21 million. Of the shareholders, 60% are women, owning 37% of the stock. Some 93% of the shareholders are individuals.

There is a reluctance on the part of many Canadians to invest in common

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stocks because of the extent to which the earnings of many companies are diverted from dividends to expansion. Financing with new capital subscriptions and paying out 90% of its earnings in dividends has made Bell the investment vehicle for many thrifty people, mainly interested in income. Additionally, the company is in a growth industry, and market price of the equity represents a consensus of opinion.

A company which recognizes the attractions of dividends to shareholders has no need of undertaking a campaign of shareholder relations. One of the troubles of our economy is the number of corporations which are parsimonious with dividends. They pay out but a small proportion of their earnings, plowing the lion's share into expansion.

This is because large shareholders want capital gains rather than cash income, which would be subject to personal income tax. Cash is retained and used for expansion which may or may not be wise. In any event the expansion is without the benefit of the stock-market judgment provided when a company issues rights. Trading in the rights soon indicates whether an open-auction market thinks projected expansion is wise.

### **Pulp Outlook**

*What is the outlook for Canada's pulp and paper industry considering the increasing self-sufficiency of the United States, hitherto the mainstay of the industry?*—B.O., Montreal.

Canada is in a period during which the world will make greatly increasing demands for her pulp and paper products. World demand is expected to double in the next 15 years.

### **Malartic and Young**

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Malartic Goldfields has a number of bets spread across the board. While diversification of interests increases the chance of obtaining a winner, it necessarily cuts down the proportions of such an interest so that it would have to be pretty spectacular to move the stock of the holding company. Conversely, a bet on the H. G. Young Mine is 100% on the fortunes of a single mine on which ore disclosures have already been substantial.



## Is your portfolio balanced?

Trends in the bond and stock market have an important bearing on the proper balance of any portfolio. But changes in your personal requirements, and the kind of balance you need in the light of these changes, can be of equal importance.

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Nor can we say Young is going up. It is an extremely promising property but all mining is risky. Young is a new producer and derives special interest from its location in the Red Lake district, in which Horace G. Young, for whom the Young company was named, has had a justifiable optimism for many years. There is little point in wearying you with operating details about Young. It looks like a medium-sized operation, with interesting depth possibilities. Red Lake is elephant country.

Perhaps this statement of mining basics will help you to decide whether to retain Malartic or make the switch to Young. We would definitely not recommend switching out of Dome into Young, although we think Dome is somewhat overpriced at recent levels. Nonetheless it is a good company and it is not uncommon for holders of this type of equity to lose their capital when they start trading. Buy good stocks and stay invested all the time.

You might also note that Dome has a big piece of Campbell Red Lake, which has been one of the bright spots in a generally drab picture for the golds the past decade or so. Dome's interest in Campbell is large enough to have repercussions in Dome's market if Campbell continues to open up as it has in the past.

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Should hit it in a few months.

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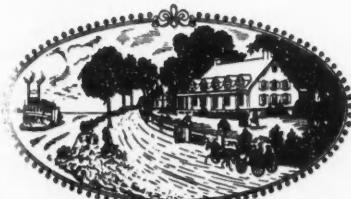
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## Point of View

# A Gold Mine in Ontario Farming

by J. A. Maxtone Graham

FARMERS AND SCOTSMEN are both supposed to relish hard bargains, big profits, and good value for money. As a Scottish farmer recently touring the North American continent, I found in Ontario an investment which makes the best recommendations of Gold & Dross look like peanuts.

Farmland values are governed by many things: by accessibility to markets, by the nation's food prices, by competition from house builders, by the price of local labor, by the climate for growing crops and for living in, by the ease with which the soil can be worked, and, most of all, by the capacity of that land to produce.

A grassland farm in Southern Ontario can produce beef for ready sale in Toronto, at a good price; little labor is needed, land values are inflated only on the outskirts of the bigger cities, and the climate, while too extreme in winter and summer for my Scottish taste, will combine with a fertile soil to produce grass at a rate which I had not imagined possible. The farms I have seen would be worth \$250 or \$300 an acre in Britain, yet are readily available in Canada for about \$60, if there are no buildings to speak of. I have never heard of a better buy.

Why, then, are Ontario farmers not exceedingly prosperous? Why do hard-working men with \$30,000 invested in their businesses slave away all year round for an income of \$4,000 or so? The answer is simple: they do not take enough advantage of the inherent capacity of their land to produce cheap grass.

Many beef-cattle feeders in the province buy calves in the fall, bring them through the winter on some hay, silage and a little grain, put them out to grass in May and, when the grass begins to run a little short in August, start pumping corn into them so that they are ready for sale in October. This, in fact, is the normal routine, and it is true that the farm's grassland is being fully used in this system. Where the profit falls down is that the profit made in the summer is largely offset by a loss on the wintering.

A steer calf can be bought at 29c a pound in the fall; by the spring, as a somewhat larger animal, it will have dropped to 27c; six months later, at a

year and a half of age, it might be worth 25c. The whole of this time it will be eating, but its food in the winter, all of which has had to be conserved and stored at considerable cost, is half as expensive again as growing grass. As a result, the profit over feed costs is around \$10 a head in the winter and \$25 in the summer. Deduct labor (which of course is far heavier in the winter), cost of buildings (not necessary in the summer), and overheads, and the small winter profit soon becomes a loss, while the summer result is highly satisfactory.

Before the very large feedlot operations in the U.S. and Canada started work, there was a very big rise between fall and spring prices for most types of beef cattle. We still have it in Britain, amounting to some 6c or 8c a pound, and in these circumstances it was probably more profitable to feed in winter than summer. With Ontario prices being more or less level the year round things are quite different.

To cash in on the present price structure, and the cheapness of the land, I suggest that feeder cattle must be bought in the spring and sold fat in the fall. This system involves the minimum of work in the summer, and none at all in the winter, a time of year much better spent in Florida or some such place.

Take a 200-acre farm, worth \$60 an acre or \$12,000. Buy 200 steers at the beginning of May, weighing 700 lb. at 27c. Each day of the six months from May through October they should average a gain of a pound and three-quarters, so they should sell weighing just over 1,000 lb. at 25c. To supplement the burnt-up pastures in August, September and October, they would need 7 or 8 pounds of corn a day, costing in all about \$16 a head.

Let us see how all this would work out.

Buy 200 steers, each 700 lb. @ 27c

\$37,800

Buy 800 lb. of corn per steer

80 tons @ \$40

3,200

\$41,000

Sell 198 steers (two having died), 1,000 lb. each @ 25c	\$49,500
------------------------------------------------------------	----------

This makes the profit look like \$8,500, but of course there are other expenses: taxes might be \$300, fertilizers around \$3 an acre, fence repairs \$400, and the upkeep of an old tractor for odd jobs, say \$300, a total of \$1,600, bringing the net income to about \$7,000.

The average capital used is the value of the farm, \$12,000, plus half the investment in cattle and feed, \$20,500. So it looks like \$7,000 from a \$32,500 investment, or better than 21%. Hence my opening paragraph which was a little disparaging towards Gold & Dross. It is a remarkable return, one which an owner-occupier is seldom able to achieve: in most cases three-quarters of the available capital is tied up in land ownership, which yields a notoriously low rate of interest, 1, 2, possibly 3%. Here, owing to the cheapness of the land, most of the capital can be applied to the money-making part of the business, namely cattle.

Here is another thing: I suggest that the amount of work involved is well within the capacity of someone who is holding down another job in the city. He would need to look at the cattle daily, and for three months would need to grind and administer 1,600 pounds of corn a day; by increasing his investment by \$1,500 or so, he could make the grinding and feeding operation completely non-manual and almost automatic; thus rendering the work suitable for the commuter's wife!

Here, then, is a simple and straightforward farming system, which appears to make lots of money. What is the snag? It is that there are not a great many cattle on the market in the spring, and one's choice might be small; thus the buying might take rather more time and travelling than normal, and it would probably be better to get a dealer to do it.

One more thing: if everybody did it this way, there wouldn't be any cattle to buy in May, because no one would have fed them through the winter; but if there is one thing certain in farming, it is that everybody doesn't.

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